

Defence Production Act

the construction of a large sewer to service an area which is rapidly being built up. As a matter of fact, there would not be much use in trying to build up the area unless this service could be given. The work has already been started and it will take about three years to finish. Can the minister state that contracts that have been entered into for supplies will not be interfered with when the projects are required for health and expansion purposes?

Mr. Howe: That is a rather large guarantee to give. It might be interfered with by the Russians.

Mrs. Fairclough: I would not be worried about the Russians if the minister can give a guarantee.

Mr. Howe: I am afraid I cannot give that guarantee.

Mrs. Fairclough: Do I understand that the minister cannot even give a reasonable assurance that these contracts will be honoured?

Mr. Howe: Those who are responsible for the administration of the act governing the use of materials try to use the best judgment as to essentiality. It has been our effort and it will continue to be our effort not to interfere with important civilian projects.

Mrs. Fairclough: Just last year we had difficulty procuring supplies under contracts which had been signed previously. I am concerned, and I am sure the present administration of the city of Hamilton is concerned, about this large project now under way.

Mr. Howe: If my hon. friend had said that they had not been concerned about supplies I would have said they were in a unique position. Anyone carrying on any project is concerned about supplies.

Mr. Low: I am not just sure whether this is the section under which to ask the question I have in mind, but I am going to take a chance. Is the minister prepared to say to what extent he and the government have developed a national fuel policy to ensure the adequate supply of fuel, especially coal and oil, or to provide for its stockpiling to meet any future emergency? I am thinking of an emergency that might cut off the 26 million tons of coal now being brought in from the United States. Under section 30 the minister could designate coal and other fuels as essential materials.

Mr. Howe: That is correct.

Mr. Low: Would it not be important to have a well-developed fuel policy when such designations are made so that we would be

assured of adequate supplies to meet any emergency that might arise? Can the minister inform us just how far the government has gone in the development of a national fuel policy?

Mr. Howe: It seems to me that this is a peacetime rather than a wartime question. I remember hearing talk about a national fuel policy in 1908 when I first came to this country, and I have heard it every year since. I think we have been generally developing a national fuel policy which has become more definite each year. I hope we shall continue to do that, but I hardly think we can put it high on the list of war problems.

Mr. Low: Does it not assume more gravity at a time like this than it does in peacetime? There seems to be considerable discussion in other countries about the necessity of stockpiling sufficient fuel, both liquid and solid, in strategic areas in order to meet whatever emergency may arise. I was wondering if the government had proceeded with any such plans for Canada, and I assume that these would naturally be related to sections 30 and 31 of this bill.

Mr. Howe: The people using coal are stockpiling at the present time, and I think the stockpiles are fairly full. I remember the winter before last we had stockpiles of coal but that did not save us from getting into a good deal of trouble, and that was in peacetime. I doubt if the risk of running out of coal is any greater in wartime than in peacetime. Perhaps it would not be as great because those who produce the coal would not be as liable to interrupt production as in peacetime.

Mr. Fraser: Have any essential materials been shipped to countries in the Soviet bloc during the last six months, and I include China? The export permit regulations of February 2 state as follows:

Your attention is also drawn to the attached revised list of commodities which may be exported under general permit SPL-1597, without the necessity of obtaining an individual permit, to all destinations except North Korea, China, Hong Kong, Macau, Manchuria and Mongolia, as of February 1, 1951.

There would also be Soviet Russia, Poland, Czechoslovakia and other countries. I notice that among other things that may be shipped are agricultural implements, tools and business machines.

Mr. Howe: The area control against shipments to countries behind the iron curtain has been in effect for some time. We are not at war with any of the countries in the east referred to by the hon. member. We have a control covering that area, but it is not as