

Supply—Mines and Technical Surveys

I am also primed to raise this question because of the discussion in Saskatchewan to the effect there is such a tremendous supply of lignite it could fit into thermal operations and would provide power for the national grid. Since this kind of long term projection is something that the Prime Minister and the government is preoccupied with at the moment, it would be interesting to hear how the dominion coal board may feel about Saskatchewan lignite as a power supply for thermal units for this projected national grid.

My questions, therefore, are concerned with the Sulphur Converting Corporation and its relationship to the dominion coal board and the minister; the question of Welland canal tolls and other arrangements that might be made to make Nova Scotia coal a deeper penetrator into the Ontario market, and the matter of lignite in Saskatchewan.

Mr. Flynn: In so far as the Sulphur Converting Corporation is concerned, Mr. Chairman—I do not know if that is the correct name—I can tell the hon. member for Port Arthur that neither my department nor the dominion coal board has been consulted or had anything to do with the project. The only connection the government had with the project was as pointed out by the Minister of Transport, to refer the company to the Canadian National and the national harbours board. So far as my department is concerned, the company has not consulted us at all in connection with the use of coal in this project. Now, I do not want to say anything else for fear I would seem to be giving approval to the soundness of the project. I do not know more than that. I have come too near to burning my fingers, and I do not want to try it again.

In so far as moving Nova Scotia coal to western Ontario is concerned, I am not able to give any specific answer to the hon. member. I may add, however, that Mr. Justice Rand expressed the view that the maintenance of a market in Ontario and Quebec should not be considered as something to be looked at for a very long period of years. However, I do not want the committee to draw any conclusion from that. I just want to indicate to the hon. member that it seems to me it would have been difficult for the dominion coal board to consider moving Nova Scotia coal even farther west than it goes at the moment.

The suggestion of the hon. member to ship coal by these ocean going vessels coming in ballast can be looked into. However, I am not too hopeful it would prove feasible. In so far as the Saskatchewan lignite is concerned, I may say that I have no knowledge

that the dominion coal board or my department have made any study of its use along the lines suggested.

Mr. Pickersgill: I should like to ask the minister if any part of this vote, either the additional sum or the original sum is used for subventions on coal within the maritime provinces, apart from those subsidies that are paid on coal for power purposes. In other words, are there any subventions paid for coal within the maritime provinces for any other purpose, and if so how much of the total item would it be?

Mr. Flynn: The answer is that the amounts which are used under the authority of orders in council 1961-18 and 1961-762, in connection with the maintenance and operation of No. 4 colliery, Florence colliery and No. 1 colliery which is scheduled to close on August 12, 1962, are payments made for coal used in the maritimes.

Mr. Pickersgill: It has nothing to do with the transportation of it?

Mr. Flynn: It has nothing to do with the movement of coal.

Mr. Pickersgill: Outside of these, what amounts are paid for moving coal from Nova Scotia to markets in Quebec and Ontario?

Mr. Flynn: As the hon. member knows the present policy is one of assisting the movement of coal to these Ontario and Quebec markets as I have indicated.

Mr. Pickersgill: There are also some subsidies paid, and this may not be done by the minister's department but by this crown company, in connection with the power program which is under his colleague. They are not in the minister's department?

Mr. Flynn: Oh, no.

Mr. Pickersgill: The point I am trying to get out is that the dominion coal board pays no subventions on the movement of coal within the maritime provinces?

Mr. Flynn: No.

Mr. Pickersgill: I just wanted to be quite clear about that because that is not an answer we could ever get clearly from the minister's predecessor. It is rather interesting, you know, to read that in connection with something that was said on May 2, 1957 at Amherst, Nova Scotia by the present head of the government. At that time he said that the subventions on coal mentioned by the federal government are nothing more than subsidies which Nova Scotians already have to compete with the central provinces. The present Prime Minister went on to say, and I quote:

"What we want", he asserted, "is coal subventions within the province."