

Supply—Mines and Technical Surveys

been closed before 1957 was out. Coal markets were declining and the government, when it came to power, took every step possible to try to save this industry. We must remember that subventions have been almost doubled since 1957. This is the measure of what was done by the government to try to make up for the rapidly declining coal market. The hon. member for Bonavista-Twillingate would like to blame the present government for the decline of that market. The increased flow of natural gas into the Montreal area and the disappearance of our natural market there certainly cannot be blamed on this government. An undertaking was made by Quebec Natural Gas Company to buy gas coming through the trans-Canada pipe line at 51 cents a cubic foot. Since the domestic market expected there did not expand as fast as was anticipated, gas was dumped on the market at 28 cents a cubic foot, making the sale of coal more difficult than ever. This was the equivalent of \$5.68 a ton for coal. Every effort was made by the government, by special subventions, to meet this competition in the Montreal market but the gas producers were able to offer gas at a price per cubic foot with which coal was altogether unable to compete on a 12 year contract.

Then again, there have been inroads made on the market by residual oil. Every time a gallon of gasoline is produced, 1.75 gallons of residual oil remain for disposal, all of which is thrown on the market at prices which, very often, are set in relation to the price of coal. The sale of surplus hydro power in the Montreal east area has also made an inroad on the coal market there. No one could have foreseen this in 1957 or 1958; certainly, no one could have done anything about it. By 1959, 450,000 tons of Nova Scotia coal had been replaced in the Saguenay and Three Rivers area by surplus hydro power. In many cases the power was supplied under contractual terms requiring users to change to surplus hydro power at three hours notice if they were consumers of primary power. Neither this government nor any other government has magic means of meeting competition of that kind. I think great credit is due to the Minister of Mines and to the Minister of National Revenue and to Mr. Uren, the retiring chairman of the coal board, for the efforts made to retain what we do have now of our coal market.

I should also like to say that in the three years I have been here I have been pleased to be associated with the work done by the hon. member for Cape Breton South and by the hon. member for Cape Breton North and

Victoria. They have used great resourcefulness in tackling this problem of declining coal markets, and done everything which could have been done to bring to the attention of those concerned the problem of the mining communities and the coal industry itself in the face of these declining markets, responsibility for which cannot be attached either to the government or to any other person. Everything possible has been done in these circumstances to increase the subventions to Dosco and the independent operators in order to enable them to sell coal. Nothing was left undone in this respect. Long hours of work were devoted to efforts to sell more coal. Sales of coal in Ontario were, in fact, increased last year to almost three quarters of a million tons. These sales involved markets in that province which had not existed before.

Moreover, in addition to its efforts to stimulate markets for coal the government was responsible for measures intended to improve employment prospects in the area in general and to stimulate, by various actions, the economy of the region. The building up of forestry, the tourist industry and the fishing industry in conjunction with the provincial governments has gone a long way toward making the present position easier. If we had had to face the present coal crisis with the resources and degree of development available in 1957 the situation would be very much worse than it is today. Other industries have been growing at a rapid pace and people today have many more opportunities of employment in fields other than the coal industry. In passing, I might say that in my constituency at Point Tupper there are some 1,300 or 1,400 men working now on the construction of a new pulp mill where there was very little demand for labour only two years ago. In all the facets of our economy there has been a general improvement. We are glad that we are saving one of the three mines threatened with closure. Everyone in this area knows that everything that could be done was done. We have worked together with all the organizations and people of the communities concerned, including the clergy and many local organizations in order to take whatever practical steps were possible.

In addition to saving No. 16 mine for the present time, the mine which has the largest labour force of all, the government has been searching everywhere for new types of employment to provide work for miners who are laid off and who are to be laid off. Every avenue has been explored. I would say that the provision of \$1,500,000 per annum for the setting up of new employment opportunities