

administration, if they are a business organization, as I assume they are, they must keep up from day to day a correct statement of the whole position, ready to be reviewed by the minister at any time, and that document, if kept in a businesslike way, brought up to date from day to day, from week to week or from month to month, ought to be readily available to the ministers. Otherwise I do not know how he will keep an organization of that kind in operation if he does not know where the money is going, to whom it is going, and on what account it is going. He must have that information submitted to him frequently, because this item is likely to run into a very large sum of money.

In the course of his observations I wish the minister would make some reference to the position of Canada with regard to this policy vis-a-vis the action of the United States congress in refusing to grant any further subsidies, and what effect it may have on the price ceiling in Canada; because I can see that, if that policy is carried out there, there is trouble looming up to maintain the price ceiling, and a grave difficulty in maintaining it in Canada. Already we are having tremendous difficulties in connection with certain commodities in my own province. I need only mention the difficulty that has arisen with respect to pulpwood, where, in my part of the country and in Canada generally, there is a ceiling, whereas across the line there is not. This government has undertaken to deliver, whether the Canadian mills get the farmers' wood or not, a certain allotment or quota which has been promised. I am not quarrelling with the promise made by the Minister of Munitions and Supply to the United States mills; but what I would point out in passing is that these mills in Canada, which have been depending in a degree upon pulpwood cut from settlers' lots, are just out of luck. I am sorry the Minister of Transport is not here to-night, because he knows of the difficulties that are being experienced in the northwestern part of New Brunswick in connection with this very matter, where a huge mill in his constituency is likely to be shut down as a result of the position to which I have referred, namely, a ceiling in New Brunswick of \$12.25, or whatever it may be, while across an imaginary line closely related to this country by railroads and short freight hauls there is no ceiling at all. The difference, I am told, may run to as much as \$6 a cord, and that undertaking on the part of the administration, that very large quota from New Brunswick, amounting to at least 550,000 cords to be delivered to the Maine mills during the current season, at a time when there is a great scarcity of labour and when it

is almost impossible to fill the camps to procure rough wood, is a matter that must be considered. It is something that has been brought about, I would say, through no fault of the policy of the government, but by the situation which has developed side by side in the two nations. You cannot get pulpwood for the Canadian mills from the farmers or those who make a business of cutting on their own freehold limits and, in some instances, crown timber limits. You cannot expect them to sell to Canadian mills when they can sell their pulpwood across the line at an advance of \$6 a cord, plus ten per cent premium on \$18 a cord. Perhaps the \$18 a cord includes the ten per cent premium, but the figures are an approximation at any rate, and they illustrate beyond peradventure the position which I am trying to envisage for the minister. Those are the conditions which are developing in Canada and which are making it extremely difficult for our own industries to operate, and extremely difficult to satisfy our people.

I should like to make this further observation. While I have never quarrelled with the objective of the policy of price ceilings, because I realize the minister's objective is good—I have been tempted at times to criticize it; yet my common sense told me the objective was good—I tried to visualize from the very beginning the difficulties that would accrue to our own producers. They are the people who will suffer under this situation. It is not human nature to expect the pulpwood producers in New Brunswick, outside of the big timber limit owners themselves who own a mill and find it difficult to get labour, to sell to Canadian mills if they can export under the present set-up, and they are obliged to export because they have a priority on that class of wood.

I do not know what the minister is going to do about the situation, but I want to tell him that it is likely that one big mill in New Brunswick will close down. I know the management are trying to grapple with the situation. One suggestion was made that this company, which produces, we will say, sixty million feet board measure of spruce and fir lumber, should take that lumber and put it into the pulp mill. But the British government is crying for lumber, and if you take sixty million feet of sound lumber out of the market you create an intolerable situation in the lumber industry in eastern Canada. There is the position, and I would ask the minister to give some consideration to it and to consult with his colleague before he makes any reply on that point. But we ought to deal with it somehow or another and know what is proposed to be done to meet that situation.