

*Borrowing Authority Act*

**Mr. McRae:** Mr. Speaker, I rise on a point of order. Just before the House adjourned at one o'clock, I had risen at the end of the speech made by the Hon. Member for Kootenay East-Revelstoke (Mr. Parker) to ask a question. I understand that he will accept questions and we have not had a 10-minute question period after his speech. I wonder if we could have that period before you recognize the next Hon. Member, Mr. Speaker.

**Mr. Speaker:** A 10-minute question and commentary period is allowed after the speech made by the Hon. Member for Kootenay East-Revelstoke (Mr. Parker). Does the Hon. Member for Crowfoot (Mr. Malone) agree to this provision?

**Mr. Malone:** Yes, Mr. Speaker.

**Mr. McRae:** Mr. Speaker, I was very interested in a number of points which the Hon. Member for Kootenay East-Revelstoke (Mr. Parker) made, but I am particularly interested in what he has said on other occasions as well dealing with moving coal that has very low sulphur content from the Kootenays, British Columbia and presumably Alberta to markets in eastern Canada for hydro purposes and the like. I am interested in those remarks for three reasons. The first reason I am interested in is that if we are to do something serious about acid rain, we will have to use the kind of coal to which the Hon. Member refers rather than the coal with high sulphur content which we are buying from the United States.

Second, I agree with the Hon. Member that the coal to which he refers is a Canadian product. If there is no great difference in cost, particularly when adding in the cost of reducing the sulphur content of the American coal to prevent acid rain, I would be very interested in seeing his coal brought to market in the east.

The third reason I am interested, and I must say this very strongly, is that we in Thunder Bay have developed a major coal terminal. If we were to move coal through that terminal the way I think we would, that coal terminal would become almost as large as the one in Vancouver. Certainly jobs on the railways in Atikokan, Thunder Bay and throughout the country would be created if this happened.

I think we on this side of the House are very interested in the kind of proposition made by the Hon. Member. I would ask him if he can give us a little more detail than he has furnished up to now regarding the expected costs of this operation, bearing in mind that some very large savings can be made, particularly in terms of environmental savings and savings through the creation of jobs. If those jobs are not created, we will have to use the UIC and other forms of federal assistance to support the people who will not have those jobs. If we can create more jobs, it will be a great advantage. I would ask the Hon. Member to give us a little more detail on this subject.

**Mr. Parker:** Mr. Speaker, I welcome the opportunity to answer the question put to me by the Hon. Member for Thunder Bay-Atikokan (Mr. McRae). There has been an extensive study done on this matter by the United Mine

Workers of America, District No. 18, being the Submission on Canadian Use of Western Canada Coal of June 15, 1983. That study was presented to the Ministry of Transport which has been looking at it. From the information which was supplied to us through a conference of coal producers and others, that Department is looking at the possibility of a requirement for a subsidy in the neighbourhood of about \$23 a tonne.

At the present time about three million or four million tonnes of western Canada coal is coming from Byron Creek and Alberta and going to Ontario. That coal is mainly being shipped to eastern Canada for blending in order to stop the kinds of things we are talking about with regard to acid rain. As the Hon. Member knows, we are shipping some coal from the west at the present time but another 16 million tonnes of coal with tremendously high sulphur content is coming in from the United States.

As the Hon. Member has stated, this scheme would do away with a large amount of unemployment. We would also have the opportunity of blending coal to meet the needs of Ontario Hydro and steel mills in Ontario. As well, we know at this time that some contracts contain minimum and maximum clauses, and even if we were dealing with the minimum clauses in those contracts, we could immediately begin, to ship in the neighbourhood of another five million tonnes of coal from western Canada, whether it be from British Columbia, Alberta or Saskatchewan.

Dealing with the specific questions asked with regard to acid rain, those answers are not available to us. We do know that it makes sense to deal with the cause rather than the effect of using dirty coal. As I suggested, the coal we are using produces sulphur emissions of 800 per cent whereas the coal in western Canada has a sulphur content of .05 per cent. The coal that is coming in from the Appalachians has a sulphur content of anywhere between 4 per cent and 5 per cent. The ramifications and opportunities are tremendous.

● (1530)

In the communities of the Kootenays and in Alberta resolutions were put before the committees requesting that a study be done on the cost of transporting this coal, and that the study look at the possibility of the cost being shared equally. If we are talking about a \$23 subsidy on the transportation of coal, \$7.50 would be charged to the consuming province, \$7.50 would be charged to the producing province, and the third \$7.50 would be charged to the federal Government, which would help to solve the acid rain problem. That is the kind of study we would like to see put forward. I hope I was able to answer the Hon. Member's question.

**Mr. Deputy Speaker:** Order, please. May I appeal to Hon. Members that they keep both their questions and their responses brief and to the point in keeping with the guidelines.

**Mr. McRae:** Mr. Speaker, I ask the Hon. Member if he could supply a copy to our office of that particular study which he appears to have in his hand. I would be very interested in receiving it. That is the United Mine Workers' study.