

*Supply—Mines and Technical Surveys*

Canada. A large proportion of that coal is located in the Macleod constituency. We have the bituminous type, the lignite type, the metallurgical type, and so on. We are shipping about 650,000 tons to Japan yearly. According to reports from the Japanese who are, I might say, very critical and who have the world to pick from, our coal from the Crowsnest pass is tops for steel production. They say it is superior in terms of B.T.U.'s, ash content and many other qualities to any coal coming from other parts of the world. Hence when I rise this afternoon to speak about the coal industry of the west, I am not speaking because I have nothing to talk about; I am speaking because there is a problem there. It is one which is as acute as that in Nova Scotia. I am also speaking to you because the Crowsnest pass of western Canada may be called the Cape Breton of western Canada. I do not mean to say that we have not been doing anything about the matter. That is far from being the situation. This government has initiated a policy of shipping coal to Japan. As I said before, some 650,000 tons are under contract for shipment to Japan this year.

Let me turn to some of the statements made by the hon. member for Bonavista-Twillingate concerning his Liberal policies with respect to coal. What the hon. member said may apply to other areas; I have no information in that regard. However, I can speak from the bottom of my heart and with full knowledge about what has taken place in the Crowsnest pass. As the minister has already said, at one time 3,500,000 tons of coal were produced in the Crowsnest pass for the use of railroad locomotives. That production has now dwindled down, if I heard this figure correctly, to some 200 tons; in other words there is no further market. These railroads are all dieselized. It stands to reason that, with the shrinkage of the output down to next to nothing with the exception of a small quantity for domestic use there has been a dwindling of the markets for coal mined in the Crowsnest pass to practically nothing.

These miners who have spent their lives digging coal, have built their homes in the Crowsnest pass, have spent their lives in that area and have reared their families there are left high and dry, stranded and without anything to do. The former government allowed mines to close one after another in that area. The Hillcrest mine closed as did the mines in British Columbia, some of them at Fernie. Mine after mine closed down until only three remained open when this government came into office. If the policy of the Liberals was such as to keep mines operating and to give miners employment, why did they

not do something about the situation? They did nothing. They left it to this government. May I say it was myself who recommended to the present government that the Japanese market should be opened for western Canadian coal. That recommendation was heeded and the Japanese market opened by subsidy for our coal. As I have already said, some 650,000 tons are being shipped annually to Japan. That amount of 650,000 tons is doing a tremendous job in helping the miners of the Crowsnest pass. However, there are always problems that one has to contend with.

One of the problems we have encountered within the past three or four months is the failure of the West Canadian Collieries at Blairmore to take any further Japanese coal orders. The coal mining operators in British Columbia have gone back in and have taken orders from Japan for some 300,000 tons of coal. At Michel everything is fine, times are good, the mines are operating and the people are happy. They are all employed in that particular area. Coming back down to Coleman, we find that they have taken coal orders for 170,000 tons from Japan. They too, are now in a very fortunate position and are operating in such a manner as to give maximum employment. However, at Blairmore and Bellevue it was found by the company operating there that it was unable to cover the costs and allow a sufficient profit. In addition, other factors came into the picture and made it such that no additional orders were taken this year from Japan.

By way of further explanation for those who are less familiar with the subject, allow me to say that operators in the coal mining business, like operators in any other field, have different costs of production. The company in British Columbia operates at a certain level, the one at Coleman operates at another level, and West Canadian Collieries at Blairmore operates at still another level. If employment was to be given in each of those areas, the dominion coal board had to give consideration to the costs of production in each of those three mines and the coal subsidy was set accordingly. If they had taken an average of the cost of each of those three mines, the high cost operator would have been eliminated, and there would have been no employment and no orders taken from Japan by one mine at the time when the subsidy was first initiated. But this was not done. The subsidy was set high enough to cover the cost of the highest cost operator.

However, that operator has found that it can no longer take coal orders from Japan and make a profit on the transactions. As a consequence some 350 miners have been unemployed since December in the Blairmore and Bellevue areas. Whenever there is that