

a ton, but American coal, with exchange and so on, will have to be sold this year around \$15.75 or \$16.00. Consequently it would be a good plan for the minister to engage in a little advertising campaign on behalf of western coal. We have good coal in the west and unfortunately some very poor coal too, and I regret to say that some of the latter has been shipped here. It ought never to be shipped. There is need of supervision, and only grades of coal that are really worth while should be shipped. I have no doubt that if this policy were pursued we would continue to expand the Ontario market for western coal. When the minister, in reply to a question of mine the other day, said that nothing was being spent on advertising this great natural resource of Canada, I thought there was neglect on the part of the department.

Mr. GILLIS: The hon. member for Lanark said it has not been possible to get Nova Scotia coal west of Montreal since May 1940. Under the subvention regulations, I understand, no subvention is paid on Nova Scotia coal unless it moves beyond a certain point in Ontario. The return furnished the hon. member for Rosetown-Biggarr in May 1941 shows that on Nova Scotia coal the bonus was paid on a net tonnage of \$1,940,570. The subventions paid amounted to \$2,643,366.54. That would lead me to believe that the quantity of coal here indicated moved west of Montreal in the year 1940; otherwise a subvention was paid that should not have been paid. I would ask the minister whether it is true that no Nova Scotia coal has been marketed west of Montreal since May 1940.

Mr. CRERAR: It is not correct. Nova Scotia coal has been marketed west of Montreal since that date. Naturally the quantity has declined from what it was in previous years owing to the greatly stimulated demand east of Montreal. My hon. friend (Mr. Gillis) is incorrect in the figures he has given with regard to the increase in imports of American coal in 1940 as against 1939. In 1939 the total imports from the United States were 9,800,000 tons and in 1940, 13,400,000 tons, or an increase of 3,600,000 tons. But that did not mean any decrease in the production in either Nova Scotia or Alberta. It did not mean a decrease in production in any of the existing Canadian fields. As a matter of fact, production was increased in both Alberta and Nova Scotia, and this was due to the very considerable stimulation in business—railway traffic, industrial development and expansion, and so on, which require coal.

Mr. GILLIS: I am not vouching for the figures I gave. I took them from a booklet called *Coal and the War*, dated January 29, 1941, published by the war-time economic coal committee, Western Canada Fuel Association.

Mr. CRERAR: My hon. friend is quoting figures on a nine months basis. The figures I have given are on a twelve months basis.

Mr. FAIR: There are one or two things that should be reiterated. An hon. member has just told us something of the poor grade of coal being shipped here. For his information I might say that someone interested sold some poor grade Alberta coal here in former years and that had a very specific purpose. It had a damaging effect on the sale of Alberta coal. I understand Alberta now has under consideration a policy which will permit only suitable grades of coal being shipped to a particular market.

The point brought out by the hon. member for Rosetown-Biggarr should also be mentioned again, because we have in Alberta some of the very best coal obtainable in the world.

I would also support the suggestion that a national coal policy be instituted. If that is done it would be in the interests of eastern as well as western Canada and prevent much of the abuse that is going on and has gone on in the coal business.

Mr. JOHNSTON (Bow River): Why was the subvention on Alberta coal going to Manitoba withdrawn?

Mr. CRERAR: As has been stated in discussions in the house in previous years, the subvention is based on the principle of equalizing the cost of Canadian coal with the laid down cost of United States coal. The cost of United States coal had gone up, consequently the subvention was not required to meet that competition in Manitoba. The principle on which the subvention has been based ever since it was inaugurated is applied in precisely the same way this year as in other years. It has not meant any decrease in the production of Alberta coal, because the amount of coal produced in Alberta in 1940 was considerably more than in 1939.

Mr. JOHNSTON (Bow River): Do I understand that Alberta coal can be laid down and sold in Manitoba for the same price as United States coal?

Mr. CRERAR: I am informed that the amount of United States coal consumed in Manitoba has not increased as a result of this, in fact it has decreased. But Alberta coal is finding competition from Saskatchewan coal in certain markets in Winnipeg. To