

Diefenbaker) asked last Friday, and I believe that the hon. member for Peterborough West (Mr. Fraser) intimated that there was a situation in Ontario as well as in the west.

Before dealing with these specific questions I think I should outline to the house the magnitude of the problem involved in furnishing adequate supplies of coal for domestic use and the difficulties that have been encountered. Prior to the war Canada produced 15,000,000 tons of coal annually and consumed 27,000,000 tons, the difference being met chiefly by imports from the United States, though appreciable quantities were also brought in from the United Kingdom. In 1941 Canadian production reached 18,200,000 tons, but, owing to the enormously increased demands for war purposes, consumption increased to nearly 40,000,000 tons. Meanwhile shipments from overseas had practically ceased, and we had to make up our deficit by imports from the United States, where war demands were also placing a strain on production facilities.

Up until midsummer of 1942, production in Canada continued to increase, but after that date the rate of production began to slip, chiefly owing to labour leaving the coal mines, some to other industries and many into the armed forces. Those that left were largely from the younger and more active age groups, resulting in a decline in output per man.

Consumption of coal, on the other hand, has continued to rise, estimated coal requirements for 1943 being placed at 43,000,000 tons, 3 millions more than in 1941. The United States, because of its own expansion of industry, its own railway congestion and its own coal mine labour problem, will hardly be able to increase its shipments to Canada. For a short period in January the strike in the anthracite mines of Pennsylvania resulted in an almost complete cessation of shipments.

To make matters worse, we have had one of the most severe winters in many years, some say the worst in fifty years, with extremely low temperatures and heavy snow conditions which added to the strain on already congested transportation facilities.

These are the underlying facts of the present coal situation, and I think they will enable members of this house to grasp the magnitude of the problem with which we have been faced.

Difficulties were foreseen, however, and the government has been actively engaged in coping with them. Last summer the coal administrator of the wartime prices and trade board issued emphatic and repeated warnings of a possible shortage, urging consumers to

take delivery of their winter coal during the summer months and offering through the banks special arrangements for financing such purchases. Many thousands of people followed this advice, thereby relieving the strain on transportation facilities, and ensuring that they would be warm during the coming winter.

Mr. GRAYDON: Was that a large percentage?

Mr. ILSLEY: Of the coal users? No, a small percentage availed themselves of the facilities. Unfortunately, others ignored the warnings, including many who are now suffering hardship. I believe that while the financing arrangements offered by the government were not taken advantage of on a large scale, the dealers, as a result of the arrangements offered by the government, themselves offered arrangements which were taken advantage of on a fairly large scale.

Realizing that the fuel situation presented one of the most serious threats to the war effort, the government on November 23 last formed an emergency coal production board, naming the coal administrator of the wartime prices and trade board as chairman. Mr. Graham Towers, governor of the Bank of Canada, and Mr. Charles Payne, of the United Mine Workers, were appointed as the other two members of the board. This board was directed to stimulate increased coal production by all available means with a view to reversing the downward trend in output and, if possible, establish new high records in Canadian production. One of the immediate tasks placed before the board was to deal with production problems in western Canada, where the most serious local shortages have developed.

In the brief period of the board's existence active measures have been taken to prevent further losses in production, particularly in cooperation with the Department of Labour and the armed forces. Arrangements were made under which men experienced in coal mining already in the armed forces might be released on leave. In western Canada this has resulted in 285 experienced men returning to the mines, and others are being approached.

From November 1 to January 14 about 2,300 men were placed with mines through the employment and selective service officers, including a number of certified coal miners. Arrangements were made in early autumn to provide deferments under the military call-up to men working in specified coal mines. Steps were also taken to withhold work permits to those working in coal mines who wished to enter other employment.