

DOMINION COAL BOARD

106. Your Committee heard a statement by the Chairman of the Dominion Coal Board and learned that the situation of the Canadian coal industry had not improved over the past year, but had definitely grown more serious due to slowing up of industry, conversion of railways from steam to diesel power and competition with other fuels. It was noted that increased subventions were made available to both eastern and western coal with a greater degree of flexibility allowed the Chairman of the Dominion Coal Board in assisting the eastern coal industry in maintaining present customers, and in the acquiring of new outlets in the province of Ontario. Your Committee was pleased to note that as a result of this policy, and the aggressive action of the Chairman of the Dominion Coal Board in co-operation with Dominion Steel and Coal Company, a recent sale of approximately 700,000 tons of coal resulted, a large proportion of which is to be consumed in the province of Ontario.

107. During its consideration of the estimates of the Dominion Coal Board your Committee heard evidence from Mr. D. B. Young, Manager, Coleman Collieries Limited, Coleman, Alberta, on the problems of the coal industry in western Canada and, in particular, as they relate to the Crowsnest Pass area. Mr. Young indicated that the present depressed condition of the industry is due to the dieselization program of the railways and the competition from natural gas and oil. Mr. Young stressed the importance of preserving at least a nucleus of the industry in western Canada.

108. Your Committee was pleased to note that as a result of research and the trade mission to Japan in 1958, coupled with increased coal subventions, markets were secured in Japan for approximately 100,000 tons of Crowsnest Pass coal and 60,000 tons of Canmore coal to be used in carrying out further tests from a coking standpoint in both the steel and water-gas industries. Your Committee recommends that further scope be given the Dominion Coal Board with regard to future negotiations in Japan, and that consideration be given to allowing the board to negotiate future sales to industry in that country on a 3-year basis at present subvention rates.

109. Your Committee is aware that the Maritime Coal Production Assistance Act is at present without funds. It is further aware of an application before the Dominion Coal Board for consideration of a wash plant in the Cape Breton area of Nova Scotia. Your Committee recommends that consideration be given to introducing legislation similar in nature and scope to the Maritime Coal Production Assistance Act, however enlarged, to cover the whole of the Canadian coal industry.

110. Your Committee learned with regret of losses of coal markets in both western and eastern Canada through a lack of liaison between the coal producer and the consumer. Your Committee recommends that every possible effort be made to ensure that this situation is corrected.

111. Your Committee noted that the recent conference held between the federal government and the government of Nova Scotia was only the first of a series through which medium it is proposed to bring forth a long-term coal policy for the maritime provinces, and your Committee commends both governments for their efforts in this regard.