

taking a look at the important coal traffic problem in the Fernie area of British Columbia. Two of the big corporations with coal leases in the Fernie area have placed before the transport commission an application to build railway links hooking up with the Great Northern Railway in the United States for the purpose of transporting coal from this area over U.S. lines to the Pacific coast, and then back into Canada and up to Roberts Bank. I am 100 per cent opposed to this routing. The coal board had done a good job in getting the transport commission, the railways and the coal companies together to try to work out some kind of formula that would ensure that this coal was hauled over Canadian lines.

May I just put a few figures on the record to show how important this type of approach is. I submit it will be regrettable if the expertise of the coal board is thrown overboard with this transfer of duty. It is estimated that for every one million tons of coal hauled to the Pacific coast, \$1.2 million is returned to the area by way of salaries, wages and other related employee benefits, such as pension funds and so forth.

• (12:40 p.m.)

We cannot afford to lose this revenue. Currently, the Canadian Pacific Railway has two contracts to haul coal involving some 5 million tons annually. This means some \$6 million a year is returned to the community in the form of wages, salaries and related employee benefits. This just shows you the tremendous input which would be lost if we were stupid enough to allow these reserves from the Fernie area to be transported by another railway line to the Pacific Coast. I cannot express myself too forcefully on this particular matter. We have heard stories that the CPR could not handle the coal traffic from Fernie down to the coast. Mr. Speaker, this is utter rubbish. The CPR can handle many times the quantity of coal which is now being shipped. It could easily handle 20 million tons of coal a year and more without any trouble at all.

I trust that the department concerned, and the coal officials in the department, will make absolutely certain that we as Canadians do not allow this lucrative rail traffic to get away from a Canadian company. I do not want anyone to think I am here speaking on behalf of the CPR because I have given them a first class hammering on many occasions and they will get it again, for example, if they try to do away with our passenger service.

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Dominion Coal Board Dissolution Act

But when it comes to an issue of this nature, then I think we have every right to stand up and say that Canadian resources such as the coal resources in Fernie, should be transported, if at all possible, over an all-Canadian communications route to our sea-ports, if we have to export them. I just leave this thought with the parliamentary assistant and the minister. I can assure them they are going to hear lots about this in the committee stage because we are not going to drop this issue.

There is one other point I should like to raise in connection with coal. There have been talks about a pipeline to carry coal from the Fernie area to the Pacific Coast. Whether this is feasible or not, I do not know. Whether it is feasible in any part of Canada I do not know. The coal would go in the form of slurry. Again, I would suggest to the department that this is a problem which our research authorities could solve in so far as coal is concerned. Maybe this is another matter which should be looked into, because one of the drawbacks to the use of coal as energy today, Mr. Speaker, is the high cost of transportation. If it can be cut by methods such as this I think feasibility surveys and research should certainly be considered.

I am not going to say anything more, but I do trust that other members in the House, and especially in the committee, will do a lot of delving into the question about the transportation of coal resources, particularly from the Alberta and British Columbia areas, to the Pacific coast. I hope they will make absolutely certain that we retain this commodity for our own Canadian transportation system and keep the benefits which accrue to the economy from this transportation in our own nation.

Mr. Allen B. Sulatycky (Rocky Mountain):

Thank you, Mr. Speaker. This bill provides for the dissolution of the Dominion Coal Board. It is not very often that a government, having created a board or agency, later sees fit to abolish it. Such bodies more often have a propensity to perpetuate themselves, regardless of whether the job they do is good or bad, or their existence necessary or unnecessary. The Dominion Coal Board is not being dissolved because it has not done its job. To the contrary it has fulfilled its role so successfully that, in the light of the vastly changing and changed energy demands, the functions of the board can now be carried on satisfactorily through ordinary departmental channels.