

*Coal Production Assistance Act*

pleased to hear from the minister that this is a remunerative venture and that it has been so decided by the management of Canadian National. We will look forward to hearing more about this line in the committee. I should like to tell the minister that one of the things that is very hard to come by is the low cost of this line as it is estimated here. It must be very easy construction if they can build a 15 mile stretch for this price.

The minister also gave no indication where the concentrate, which we assume will be produced, will be shipped. The hon. member for Gloucester also indicated that in time it is hoped there will be a smelter, but if there is going to be a smelter in time, I suppose in five or six years, we wonder what is the efficacy of building a branch line just for hauling goods in. In the case of most mining properties, particularly base metal operations, normally the hauling in is not too great unless there is some particular chemical coming in in great quantities. Therefore one might wonder why a railroad is needed.

These remarks are not to be taken as objections to the bill but just as an indication that, keeping the Gaspé development from Matane in mind and remembering Esterhazy, we will be quite vigilant when this bill goes before the standing committee on railways, canals and telegraph lines. I hope that some of those members of the house, such as the hon. member for St. Lawrence-St. George, who were vigilant in committee quite recently on behalf of these wonderful private enterprise organizations will be there to take just as keen an interest in this effort that is going to be made by the publicly owned railway of Canada.

Resolution reported and concurred in.

**Mr. Balcer** thereupon moved for leave to introduce Bill No. C-93, respecting the construction of a line of railway in the province of New Brunswick by Canadian National Railway Company from Nepisiguit Junction on the Bathurst subdivision of the Canadian National Railway in a southerly and westerly direction for a distance of approximately 15 miles to the property of Brunswick Mining and Smelting Corporation Limited.

Motion agreed to and bill read the first time.

**Mr. Speaker:** When shall the said bill be read a second time?

**Some hon. Members:** Now.

**Mr. Chevrier:** Now.

**Mr. Speaker:** Agreed?

**Some hon. Members:** Agreed.

**Mr. Balcer** moved the second reading of the bill.

**Mr. Chevrier:** Mr. Speaker, as evidence of further co-operation from this side of the house, if the minister will undertake to send the bill to the standing committee on railways, canals and telegraph lines we will waive our right of discussion at this time subject, of course, to the approval of the other two parties, and when the bill comes back from the committee we will then discuss it in the usual manner.

**Some hon. Members:** Agreed.

Motion agreed to, bill read the second time and referred to the standing committee on railways, canals and telegraph lines.

**COAL PRODUCTION ASSISTANCE ACT**

## ADJUSTMENT OF RATE AND TERMS OF REPAYMENT

The house resumed from Wednesday, November 28, consideration of the motion of Mr. Martineau for the second reading of Bill No. C-64, to amend the Coal Production Assistance Act.

**Mr. Robert Muir (Cape Breton North and Victoria):** Mr. Speaker, it is not my intention to speak at any great length on this bill. The history of the Coal Production Assistance Act has already been outlined by the minister and the hon. member for Inverness-Richmond (Mr. MacEachen). I should like simply to add that it has been a very useful act in so far as the coal mining industry in Nova Scotia, and indeed in New Brunswick, is concerned, but more particularly in Nova Scotia where the largest production of coal takes place.

As you are aware, Mr. Speaker, the coal mining industry in Nova Scotia, as in the United States and other parts of the world, has been going through a very difficult period over the past number of years, due to intense competition from other sources of energy. However, I do not doubt that the industry would have been in an even more difficult position if this act had not been in force, along with other widespread measures that have been taken by this government to assist during this rather serious period.

Let me give the house an example of what I mean. In my constituency there were two large coal mines operated by Old Sydney Collieries Limited of the Dominion Coal Company, one situated at Florence and the other at Sydney Mines. There are also smaller mines owned and operated by other companies.

The Dominion Coal Company obtained a large loan under the provisions of this act and completely modernized and mechanized