

HOUSE OF COMMONS

Wednesday, February 22, 1950

The house met at three o'clock.

CANADIAN NATIONAL RAILWAYS

REDUCTION IN PASSENGER TRAIN SERVICES—
COAL SUPPLY

Hon. Lionel Chevrier (Minister of Transport): On a question of privilege, Mr. Speaker, I should like to correct a statement I made yesterday, appearing on page 85 of *Hansard*, where I said:

At the moment, and last year and the year before, the Canadian National Railways are purchasing as much coal as they can get from mines at both extremities of Canada.

I find that statement is only partially accurate, and I have also learned that the manner in which it was made might be unfair to the Dominion Steel and Coal Corporation. So far as 1950 is concerned, the statement as made was wholly accurate. So far as 1949 is concerned, I am informed that Dosco offered the Canadian National Railways 998,000 tons of coal, but the railways were able to place orders for only 646,000 tons. For the year 1948 I have no information.

Mr. Gillis: I should like to direct a question to the Minister of Transport, arising out of the statement he has just made. Can he tell the house why the Canadian National Railways could not stock the additional coal that was offered by Dosco?

Mr. Chevrier: The information that I have is that the reason is one concerning price. I believe that negotiations had been going on between the company and the railway as to the question of price, and because of that consideration it was not possible to take the full amount. Perhaps I did not say this, but in any event Dosco was not able to deliver the amount which the Canadian National Railways finally decided to take. They were some 90,000 tons short of the 646,000 tons. In fairness to Dosco I think I should say that, as the house knows, the output of a mine must be contracted for some time in advance, and if negotiations had been carried on earlier it might have been possible for Dosco to fulfil the total amount of the offer, namely, 998,000 tons.

Mr. Brooks: May I ask the minister a question arising out of his remarks? He used the words "in fairness to Dosco". Dosco produces

perhaps eighty per cent of the coal produced in the maritimes. Are there contracts with any companies other than Dosco?

Mr. Chevrier: Yes, there are contracts with independent mines down there; I am not familiar with the position in that regard. By that I mean that I do not know the number of tons of coal they were able to furnish. It was drawn to my attention, however, that the statement which I made yesterday might be misleading with regard to Dosco, and I thought in fairness to them that I should make the correction.

ATOMIC ENERGY

EXCHANGE OF INFORMATION BETWEEN THE
UNITED STATES, GREAT BRITAIN
AND CANADA

On the orders of the day:

Mr. Gordon Graydon (Peel): In view of the International News Service dispatch from London carried in yesterday's *Toronto Daily Star*, which stated that the United States has suspended an agreement for the exchange of atomic information with Britain and that the ban might also apply to the exchange of such information with Canada, I would ask the Prime Minister whether the Canadian government has been advised officially or unofficially by the government of the United States of any intention or desire to suspend the existing agreement dealing with the exchange of atomic information.

Right Hon. L. S. St. Laurent (Prime Minister): I have not seen the dispatch to which the question refers, but there has been no intimation whatever from the government of the United States to the government of Canada that would have any bearing on the statements made in the International News Service dispatch.

Mr. Graydon: If I may ask a supplementary question, has there been any discussion between this government and the United States government with a view to having the restrictions under the McMahon Act partly lifted so far as we are concerned?

Mr. St. Laurent: I would not like to give a concrete answer to the question as put. There have been discussions, and there are constant negotiations between those who represent Canada and their opposite numbers in the United States about the most effective way of taking advantage in both countries of all information available.