

The payment of subventions to railroads and mining operators as set out under the order in council is not a cure; it is not even a palliative.

The representatives of the mine workers in districts 18 and 26, who have studied the matter, recommended in the past that a national fuel policy in this country must be one whereby economic markets for both east and west should be zoned, and if they were zoned, a sufficient amount of coal which is being imported would have to be kept out of the country to guarantee our own industry a market.

Mr. CRERAR: How would you keep it out of the country?

Mr. GILLIS: Put an embargo on a sufficient amount of it to guarantee the marketing of our own coal. I do not think that a tariff would be a solution; tariffs can be juggled. They have not been a solution in the past. I say, impose an embargo, be definite about the matter, and so try to cure what is developing into a very bad situation.

I have here much statistical material to which I could make reference, but I am not going to do so at this time. I believe the minister is fully aware of it, because if it is sent to me no doubt it is sent to his department. I would call his attention, though to the issue of the *Mine Worker*, the official magazine of district 18, for May, 1941, in which they go very thoroughly into this question of a national fuel policy, and lay out a programme which, if followed, will provide a solution. Not only that, but they show definitely there, in the matter of marketing western coal alone, that this government could save approximately seven million dollars a year to the dominion, taking into account the exchange involved in the importation of coal from the United States.

Again may I call to the minister's attention, as I did on the last occasion when his estimates were before the house, the discrimination against Canadian coal used for metallurgical purposes, in the manufacture of steel. Coal brought in from the United States for this purpose is given a drawback of 99 per cent; on 75 cents a ton they are handed back 74 cents. The same allowance applies to coke. Yet Canadian coal used in the manufacture of steel is bonused only to the extent of 49 cents a ton. I see no reason why the rate of bonus granted to United States coal should not be made applicable to coal mined in Canada. It would be an incentive to operators to expand the industry, something they are not doing at the present time.

The consequences are reflected, too, in the wages paid the miners. If the same bonus received by the United States operators were

[Mr. Gillis.]

applicable to Canadian coal production, there would not be the difference in wages, because the basis of the argument for lower wages in Canada would have disappeared. The minister would be well advised to call the representatives of the miners and come to an understanding. With all respect to their ability, I have not much confidence in the men who have been handling the situation, because the results that have been achieved in the last ten years on the basis of the policy of subventions have certainly not brought very much benefit to the industry in Canada.

Mr. SOPER: As far back as May, 1940, we were told that we could not get Nova Scotia coal further west than Montreal. Consequently all through the eastern part of Ontario and in the west there has been very little Nova Scotia coal in use in the last two years.

Mr. MacNICOL: We use several thousand tons a year in Toronto. The Toronto board of education uses nothing but Nova Scotia coal.

Mr. SOPER: That was the notice the coal dealers got. With regard to the remarks of the hon. member for Bow River (Mr. Johnston), the miners are not working at this time of the year because you cannot ship coal here and put it in the cellars now or there will be too much deterioration. The Alberta people, I would point out, were the only ones who raised the price of coal in the season of 1940-41. This upset the market just when it was getting in good shape. There will be a good deal of Alberta coal used this year.

Mr. JOHNSTON (Bow River): Wages were increased and that was the reason for the increase in the price.

Mr. SOPER: It was bad business to raise the price in the middle of the season when they were beginning to get a market. There will be a good sale for Alberta coal in Ontario this year, but the business is one that must be handled properly or the dealers will lose a good deal of money.

Mr. COLDWELL: I intended to say something about coal from a different angle, but at this stage I will refrain. I will let it go until next session. Good grades of Alberta coal like Saunders Creek, Big Horn and Alexo stand up well because they are semi-hard coal. The British thermal heat unit in that type of coal approaches closely to the thermal unit per pound in anthracite. Speaking from memory, I believe it is 11,800 per pound in the coals I have mentioned as against 13,000 in anthracite. That can be sold under the present subventions in Ontario at around \$12.50