

Mines and geology branch.

144. Dominion fuel board—administration and investigations, \$27,100.

Mr. MacNICOL: Does this item cover the fuel controller's department; is it now under the dominion fuel board?

Mr. CRERAR: No. This has nothing whatever to do with the dominion fuel controller.

Mr. HARRIS (Danforth): This item has to do with the finding of supplies of Canadian coal for Canadian industry and otherwise. I imagine that, with the advent of the war exchange act regulations and the ten per cent tax, a much larger quantity of Canadian coal is moving into consumption, particularly in Ontario.

The CHAIRMAN: That matter, I think, comes under item 145.

Mr. HARRIS (Danforth): Item 145 relates to the actual expenditure of money by subvention for this purpose, but item 144—the minister will correct me if I am wrong—has to do with the administration of the payments which are provided for in the next item. It is upon administration and investigation that I wish to make one or two observations.

When this department investigates the possibility of consuming Canadian coal in parts of Ontario where in days gone by they have burned in their stokers and boilers Virginia coal or coal that comes by way of Cleveland, it is found that Canadian coal does not work out very well in the equipment which at present burns river and creek coals from Virginia. I suggest that a more intensive investigation be carried on by these investigators and that they be given more assistance in their endeavour to advise as to what coals can be used in certain plants. This might assist materially the consumption of more Canadian coal. We have great difficulty in burning Canadian coal in consequence of the smoke nuisance by-laws which are in force in the different municipalities in Canada. The by-law makes it difficult for the consumer of coal to use the Canadian product and he finds that he has to go back to coals imported from the United States. The investigators could very often appeal to the municipalities to relax some of the regulations as they affect the burning of Canadian coal, particularly in the central part of Ontario.

Perhaps the minister would make a general statement with regard to this important phase of the activities of his department. This branch distributes the greatest amount of money and it deserves something more than a passing reference, particularly at this time when everything should be done to burn more

[Mr. Crerar.]

and more Canadian coal. At the same time, the minister might enlarge upon the question and give the policy of the dominion fuel board from the point of view of conserving United States exchange through the consumption of more Canadian coal and thus avoiding the necessity of paying so much of that exchange for coal imported from the United States. With regard to the great consuming centre of Ontario, western Ontario particularly, and the Toronto-Hamilton area, I make this observation. Not nearly intensive enough an investigation is going on at the present time in that large area, nor is there sufficient co-operation. Last night, I noticed, the steamship *Colfax* was unloading about 5,000 tons of Canadian coal. We have not nearly enough Canadian coal in the Toronto-Hamilton area. The public buildings are cooperating—and when I say public buildings I am thinking of the school board of Toronto, for example, the hydro administrative buildings and the municipal buildings in that area. They have readjusted their furnaces in such a way as to consume Canadian coal, but after all municipal organizations are very small consumers. They are doing it from the standpoint of Canadian patriotism and have made some adjustment in the combustion chambers to take care of this problem; but frankly, from my observation, very little is being done in the large consuming units.

When the minister is making his statement he might discuss a question which I may be permitted to mention at this stage, though it comes under the next item. I refer to the \$4,000,000 of subventions for the movement of coal from the maritime provinces to Ontario and other points. He might obtain from the proper officials and give to the committee information as to what proportion of the \$4,000,000 is being used in Ontario, what proportion is being used in Quebec, and how much if any goes beyond the great lakes as far as Manitoba. He will correct me if that does not come under the item to which I refer, the item that has to do with the expenditure of money voted by parliament to assist in freight costs in the hauling of Canadian coal.

Mr. CRERAR: This item that we are considering now, administration and investigations of the dominion fuel board, is of course related to the item that immediately follows, which is \$4,000,000 for payments in connection with movements of coal under conditions prescribed by the governor in council. Item 144 has really to do with administrative and investigational costs associated with the expenditure of the money under item 145. Item 144 deals with the administration of the dominion fuel board. Examination of the usability of