

*Coal and Steel Industry*

house is aware, during January and February of this year, we have had a tremendous problem of unemployment. I call it a tremendous problem because I understand the figures show that more than half the total unemployment insurance payments being made then were being paid out through the lower mainland offices in British Columbia.

It is an interesting fact that the province of British Columbia is constantly receiving additions to its population from the other provinces in Canada. There seems to be a misconception in many minds to the effect that these additions come exclusively from the prairies. For the benefit of all members here who represent central Canada, may I say that British Columbia receives a great number of refugees from Ontario. Like anyone else coming to our province, as Canadians they expect to have the right to live in any part of their country. They do not consider that they should be shunted out of the province because they were not born there or have not lived there for twenty years. They regard such a policy as a policy of Balkanization and one of disunity on a national level.

In British Columbia, as they have in Nova Scotia, we have vast deposits of coal and iron. Investigations during recent years have revealed those deposits to be ever wider as more and more discoveries are made. We have labour in British Columbia, and recently there was a move through one of the government agencies to stimulate local capital entering the steel industry. It was suggested that the government would put up dollar for dollar with local capital if such capital could be induced to start such an industry. I would say this to all hon. members, that coal and steel are strategic to our dominion as a whole.

The coal industry is an important industry to Canada, just as it would be to any industrial or trading nation. In the event of war I would say that investment in coal and steel would rank with national defence, in the first degree. I would say that if private capital cannot be persuaded to put risk capital into the coal and steel industry proposed in British Columbia, where the raw materials are, where the labour is and where the necessity is, then it is the duty of this government to take the matter in hand.

I know this suggestion will be regarded by hon. members to my right and by hon. members across the floor as being rank socialization. I agree that such may be the case, Mr. Speaker; but the point at issue is this. Is it useful, is it practical and will it do our people and our country good? That is the only way in which it should be judged. I am not one of those who believe that the

pinning of labels upon things alters their essential basic structure.

I would point out to this government that the record of government in industry in other countries is not a bad one to study. I have before me documents of an official nature with regard to the British experiment, from which I propose to quote in support of this contention, and in support of the need of my province for this industry.

I should like to point out that the Dutch state mines under public ownership boosted output per man shift 101 per cent between 1913 and 1938. There is an instance outside the British commonwealth, amongst a people notable in Europe for their progressive spirit and the tremendous strides they have taken economically in those years, where they found that in a basic industry it was good not only from the social point of view but from the economic point of view—in hard dollars and cents it paid—to socialize that industry.

The record in Great Britain since the socialization of the coal mines on January 1, 1947, speaks for itself. Taking the coal fields as a whole, many collieries were taken over by the British government in first-class condition but there were many others in poor shape, and not a few were uneconomical. But in order to produce the coal which they needed, they socialized the industry. If we are to produce the coal which we need here in Canada, if we are to cease importing tremendous quantities from the central states at a loss of American dollars and an economically unbalanced budget at the end of the year, we must take the same attitude as they did. They needed the coal. It was worth while to exploit the reserves they had. Production for the year 1931 amounted to 147,746,000 tons; in 1945 it amounted to 182,770,000 tons. In 1947, when the government took over, production rose to 197,644,000 tons. Those are the figures put out by the British labour government.

The output of deep-mined coal in 1947 was just over 187 million tons, compared with 181 million tons, in 1946—

The year previous to the government's entering into the business of coal.

—an increase of 6 million tons. The output of open-cast coal . . . increased by about 1,500,000 tons. So we had, in all, an increase of 7,500,000 tons in 1947 over 1946.

That is a quotation from the Right Hon. Hugh Gaitskell's report to the House of Commons on June 24, 1948.

With reference to nationalization attracting manpower to the industry, by government ownership the British were able to make the conditions of coal mining so much more attractive than they were when the mines were controlled by private capital that they