

Supply—Mines and Technical Surveys

On another occasion the company made the suggestion that the quality of the coal from the Caledonia mine was not sufficiently high as to warrant its mining. This is a ridiculous statement because the coal now coming from that mine is similar in quality to the coal from the same mine which has been used for years. I should like to suggest that coal some 50 or 60 years old is being dragged from the bottom of the Atlantic and sold to thermal plants. I suggest the coal from the Caledonia colliery is much superior to that coal.

I should also like to refer to a stand taken by Mr. Gordon, the general manager, expressed by his statement in 1947, that the coal operation of that company must stand or fall on its own. My understanding of that view is that he felt the coal operation must be considered by itself, and not as a part of the whole company's operation. As a result of that viewpoint, officials of that company have come to Ottawa in recent years seeking federal aid in respect of the coal industry. In this regard, I wonder whether the company would be able to substantiate each individual operation by itself, and not as a part of the total operation? I suggest if the lucrative federal contracts, provided by this government were withdrawn, many other operations would become uneconomical. I do not intend to take anything away from industries, such as the Halifax Shipyards, in this regard, which enjoys contracts to the extent of some \$30 million, but suggest that these industries are dependent upon federal government contracts to a very great extent. I also suggest in regard to these contracts, that the government should have an official acting as a co-ordinator, looking after the interests of the rank and file of these industries, who should see that the industry carries out its policy regarding these contracts in a manner that is in the best interests of the public generally.

I would go further and suggest to the minister that not only should this apply to a company like Avro, which came in here with very little finances of their own and have taken over one of the largest industrial empires in this country, but a co-ordinator such as this could very well serve this country if this policy were applied to every foreign company in Canada to ensure that Canadian interests would best be served. I do not see how they would in any way interfere with these companies, but they would at least protect Canadian interests in connection with foreign companies operating in Canada and their policies. I submit that the Canadian interest must be served in connection with com-

panies like Avro and I suggest that all foreign companies should be considered in the same category.

My first experience with Dosco, or Avro, came shortly after Avro had taken over Dosco and they made their first approach to Ottawa for federal assistance. At that time they had a Mr. A. C. McDonald. My first recollection of Mr. A. C. McDonald is when he went into the town of Glace Bay and promised that there would be no cut-backs in the mine's operations. This same Mr. McDonald was hardly out of town when these cut-backs started to take place. This same Mr. A. C. McDonald came to Ottawa, as I say, in connection with the first submission this company made to this government. He was not here very long before it was pointed out clearly to him that some of the representations he was making at the time were absolutely out of line with the facts. Mr. McDonald was then required to go back to Montreal and redraft the submissions they were trying to put before this government.

That was the last time this government or anybody around Ottawa saw Mr. A. C. McDonald to my knowledge. Apparently the company, which up until that time considered him a brilliant man in the field of figures and facts concerning the operations of this company, decided that he had made two mistakes in coming to Ottawa. He made his first and his last mistake in coming to Ottawa and because of the representations, such as they were, we have seen no more of Mr. McDonald.

This company was coming to the government for assistance. As I say, the only formula that could possibly be worked out to further the interests of the Nova Scotia mines was that formula based on subvention payments. The Minister of Labour did not in any way contradict the facts, as they were brought out at the last coal conference, in his answer to the hon. member for Bonavista-Twillingate.

This company has adopted the policy that coal must stand on its own, but I would remind every hon. member of this committee that if the same policy were applied throughout, this company could not stand on its own for ten minutes because they depend almost entirely on very lucrative federal contracts to carry on operations.

I do not ask the federal government to interfere with that policy. They cannot interfere with the policy of the company. The best the federal government can do is offer assistance, which they have done and which was flatly turned down. This statement can be very easily substantiated by reference to