

*Coal Production Assistance Act*

**Mr. H. W. Herridge (Kootenay West):** Before I begin my few brief remarks, Mr. Speaker, I can assure you they are the result of spontaneous combustion. I always enjoy reading bills of this nature and realizing while I read them that they are an illustration of the great exponents of free enterprise enjoying certain advantages under the welfare state.

I am sure many of these gentlemen who are heads of these corporations will have been along to meetings of chambers of commerce of the Canadian Manufacturers' Association and would have spoken quite harshly last summer against the rapidly developing welfare state. But their criticism is always directed to the poor, the crippled person, the old age pensioner or someone of that kind who needs assistance because of ill health, while at the same time they unblushingly come before this parliament to receive assistance in the form of grants or loans.

**An hon. Member:** Order.

**Mr. Herridge:** Someone shouted "order". I am strictly in order, as usual.

I freely admit, and I think most members would admit, that this is a form of welfare under capitalism, under the exponents of free enterprise. It is our responsibility to see that if this is of benefit to certain sections of Canada, and to the coal industry in those sections, the money is used to the advantage of the Canadian people, to the advantage of the employees and to the advantage of the Canadian consumer.

I suggest that before this debate on second reading concludes the minister should inform the house what responsibility these companies accept toward their employees when they receive loans from the federal government. What responsibilities do they accept to the Canadian consumers? I have had complaints from constituents of mine that since these loans were granted—and in some cases these companies were primarily concerned at the present time with supplying overseas markets, such as the Japanese coal market—less attention has been paid to the needs of Canadian consumers with regard to quality and price. I am told by some of my constituents, who have complained to their local coal dealers, that those coal dealers told them the quality of coal which they have been receiving since these large exports of lignite coal were undertaken to Japan has been lower than it was previously, and the price has increased. I think the minister should inform the house what agreement the company has with the government with respect to the reports it makes to the coal board, with respect to the responsibility it

[Mr. MacEwan.]

accepts toward its employees, and with respect to the responsibility it accepts towards the Canadian consumer as to quality and as to price.

Mr. Speaker, in my opinion this legislation should be referred to the committee on mines, forests and waters so that the members on that committee can ask questions and seek information, because I am of the opinion that when we assist, and extend welfare to these companies they should accept the same sort of means tests that the individual in Canada accepts when he accepts welfare under certain circumstances from the province. The members of this group would like to see this bill sent to the committee so that the members of the committee could inquire into all these things and make certain that these loans are being used to the greatest possible advantage of the Canadian people as a whole, of the employees directly concerned, and of the consumers of coal.

**Mr. Lawrence E. Kindt (Macleod):** Mr. Speaker, it is a pleasure indeed to participate in the discussion on Bill No. C-64.

**Some hon. Members:** Hear, hear.

**Mr. Kindt:** I am very pleased to see the opposition give me that ovation. It is not very often that you find them very charitable. But let me say this, that this bill which has been drafted for the purpose of assisting the coal operators and miners in all parts of Canada is appreciated in the west, and while we have not made full use of the act, its objectives are clear. These objectives are to assist operators to lower their costs of production and to make them more competitive in the foreign and domestic coal markets.

Let me deal first with the province of Alberta. We have there approximately 7 per cent of the world's supply of coal. How many hon. members knew that before? What we have lacked most in the past has been markets. The market we did have for steam engines for the C.P.R. has now almost completely vanished. Therefore, in 1957 the miners and operators in the Crowsnest pass, which is part of the constituency I have the honour to represent, found themselves without coal markets, and may I say, in a dreadful position. I recommended to the government of Canada that we subsidize the shipment of coal to Japan. But we were up against a number of problems. The Japanese market had not been using any of our coal prior to that, and it was necessary to send trial shipments. This was accomplished and the Japanese, as well as ourselves through our research council, and the coal operators themselves, made tests to determine the metallurgical value of Canadian coal and coking