

Items 70, 75 and 80 agreed to.

The CHAIRMAN: Thank you very much, gentlemen.

We will now call Vote 15 which is as follows:

Subventions in respect to Eastern Coal under agreements entered into pursuant to the Atlantic Provinces Power Development Act (20), \$2,000,000.

The assistant deputy minister will deal with this vote. Are there any questions of the assistant deputy minister?

Mr. DROLET: I may just say that the responsibility of this act has now been passed to the Minister of Mines and Technical Surveys, but the Northern Canada Power Commission is still the legally authorized body for the administration of the act. We have with us Mr. Humphrys who is the general manager of the Northern Canada Power Commission, and he knows all the facts about this.

The CHAIRMAN: Are there any questions?

Mr. AIKEN: Is this the item under which a grant or subvention is made for the use of maritime coal in Ontario or other provinces?

Mr. DROLET: Mr. Humphrys can give you the details, but let us say just in broad outline that this act addresses itself first to the Atlantic provinces, Newfoundland, Nova Scotia, Prince Edward Island, and New Brunswick. It has two credits or two amounts of money in it, one is for long term loans to construct thermal electric power plants and high voltage interconnecting lines, and the second one—this is the one you referred to—is for subvention payments on eastern coal which is being used in electric plants located in the Atlantic provinces.

Mr. AIKEN: What is the subvention rate at the moment per ton? Is it \$2?

Mr. E. W. HUMPHRYS (*General Manager, Northern Canada Power Commission*): It is paid at the rate of 1.05 mills per kilowatt hour. It works out roughly to \$2 per ton; it depends on the efficiency of the power plant.

Mr. AIKEN: Is this subvention paid for the coal that is brought from the maritimes to Ontario hydro plants?

Mr. HUMPHRYS: Only coal must be used in the maritimes for the generation of electricity within the maritime provinces.

Mr. DROLET: You are talking about something else under the Dominion Coal Board Act in order to counterbalance the cost of transportation; the coal would be too expensive to use in Ontario. We are now talking only about coal being used in thermal generation plants in Atlantic provinces.

Mr. AIKEN: Then I understand the federal government paid the subvention on coal which was used within perhaps the same province?

The CHAIRMAN: I think this question perhaps might be better directed under vote 100, the Dominion Coal Board.

Mr. AIKEN: I am trying to find out what this vote is. I was asking whether this vote is for coal mined in the maritimes and used in the maritimes. Is that what it strictly is?