

*Energy*

This has been at the background of the federal policy; in the first place to develop to its present degree of substantial success the CANDU nuclear system, and second, to adopt as a matter of national policy a program to encourage individual provinces to get into the nuclear field by an incentive of financial assistance given to each of the provinces. Therefore, we have had in co-operation with Ontario Hydro the success in the development of CANDU and financing of two units at the Pickering station. We have the construction of the Gentilly II plant in Quebec with hydro Quebec, and we are hopeful that the Atlantic market may soon have the opportunity of developing a nuclear reactor for power purposes with interconnection of New Brunswick with eastern Quebec and Nova Scotia for the purpose of displacing any further reliance on oil for further electrical capacity in that area. We have under study the development of a cable link with Prince Edward Island, which would enable that province to look into this regional need and have greater assurance of supply coming from participation in a larger system.

The remarks of the Leader of the Opposition are a good introduction for the next point because that is a suggestion of a link between Newfoundland and Labrador, not a link as has been suggested by way of a tunnel but rather a transmission link to bring the electric power development on the lower Churchill River onto the island of Newfoundland for the purpose of displacing the electrical capacity there which is now substantially founded upon bunker oil.

In Ontario and Quebec you have two strong highly sophisticated power systems with interconnections between the two and with some interconnection to the state of New York. In Quebec, there is a substantial system connecting with the province of New Brunswick in the Eel River station. There have been indications here—and I think this is a matter for early study and discussion with the affected provinces—about the advantage of putting into effect a strong intertie with all the eastern Canadian provinces between Quebec and Ontario as well as the four Atlantic provinces to take advantage of the different peak periods within the systems of the two and at the same time to offer the greater security advantages which come from having a closely integrated system.

The problem, as so often happens, in our country and occurring further west, is the great expanse of the Canadian shield north of Lake Superior that the current system of technology makes less economic an interconnection between the substantial hydro resources of Manitoba and the heavy power demand of southern Ontario. Manitoba Hydro, with federal assistance, has developed substantial expertise—I think one could describe it as world leadership—in direct current transmission technology. It is this which has made it possible to bring the hydro resources of the Nelson River down to the southern part of the province and make it available for use in Manitoba, in northwest Ontario, for interconnection with Saskatchewan and for export to the United States.

A national policy would very naturally favour some means of a closer intertie not only with northwest Ontario but with southern Ontario as well so that the power demands of that area could be satisfied from these Canadian sources. Indeed, if an economic means can be found of transmitting this power to the southern Ontario market,

[Mr. Macdonald (Rosedale).]

this should be a priority. As between the choice, as the premier of Manitoba has said, of developing at an early date non-replaceable fossil fuels or hydropower, the preference would be in favour of the latter if we can develop technology which makes it economic to deliver Manitoba Hydro to the southern Ontario market.

In the absence of that, the principal source of power assistance both for a province like Ontario or one like New Brunswick which is approaching the same situation, has come in the form of the development of the Candu reactor. Behind this particular development of the Candu reactor with the development of Canadian technology, lies the important question as to the future development of Canadian uranium. We are now witnessing the end of a period of depression in the industry, a period of depression resulting from world oversupply in recent years, in part contributed to by the relative failure of other nuclear power systems to come into widespread use. We are seeing a revival of the exploration interest in Canada and the revival on the part of foreign producers to acquire Canadian uranium.

In the next session of parliament we should take steps to convert into legislation the 1970-71 policy statement of this government which would ensure Canadian ownership and participation in this particular industry. We are at the point where we can avoid some of the problems which have arisen in the petroleum industry by taking legislative steps now to ensure that when these resources develop, as they are certain to develop in Canada in the years to come, they are substantially under Canadian control.

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

**The Acting Speaker (Mr. Boulanger):** Order, please. Before I recognize the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) I should say that we did not receive the "blues" yet. I need the help of the leaders of all parties to know if there was a special arrangement made or if it is agreed that all hon. members who wish to speak shall have 15 minutes. Was it agreed?

**Mr. Nielsen:** No, Mr. Speaker, I believe it is 20 minutes.

● (1720)

**Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain):** Mr. Speaker, the key words in the motion proposed by the Leader of the Opposition (Mr. Stanfield) today are, "incompetent, inconsistent and . . . economic loss to Canada". I wish to address my remarks to those three phrases, and deal in passing with the remarks of the leader of the NDP as well as those of the spokesman for the government, the Minister of Energy, Mines and Resources (Mr. Macdonald).

One would think, after hearing the discussion today, that all the events of the last four months had been washed away. All spring we were told in the Standing Committee on Energy, Mines and Resources, "Wait until the report on energy policy comes out; then we will sit down and discuss these matters with the provinces, with industry and with opposition parties and, working together, evolve a national energy and resource policy."