

Atlantic Provinces Power Development

As I understand it there is an auditing system set up under which each company will have to demonstrate to the power commission of the province the amount of coal they have used in the production of power for industrial purposes on the basis of the b.t.u. content of the coal they have used. By applying this price which is a formula based on the amount of coal for every million b.t.u.'s, they will decide what the actual amount will be. Then I understand that these accounts are all accumulated and submitted to the dominion coal board which audits them in turn.

Mr. Lesage: I understand that of course the cost of coal is not the same at various points in New Brunswick and Nova Scotia at the different power plants. Is it the intention of the government to see to it that under the agreements the provinces will have to equalize the cost of coal between the various plants in the Atlantic or maritime provinces?

Mr. Hamilton (Qu'Appelle): That was one of the subjects under discussion between the officials of both governments because the price of coal is different at each place in Nova Scotia and New Brunswick. For the sake of administrative efficiency the final decision reached was that they would take the cost of the coal at each of the points in Nova Scotia and New Brunswick and average it, then the subvention would be paid on the basis of the difference between the average in those two provinces and the cost of coal laid down in Toronto.

Mr. Lesage: In Toronto?

Mr. Hamilton (Qu'Appelle): Yes.

Mr. Lesage: I see. If Newfoundland should sign an agreement for thermal plants, would the cost of the water transportation of coal be taken into account?

Mr. Hamilton (Qu'Appelle): The question is hypothetical but well thought out.

Mr. Lesage: There is nobody here from Newfoundland.

Mr. Browne (St. John's West): I am here.

Mr. Lesage: You never talk for Newfoundland, so we will forget you.

Mr. Browne (St. John's West): I must rise on a question of privilege. I do not think the remark is called for.

Mr. Lesage: I will withdraw my remarks.

Mr. Hamilton (Qu'Appelle): Mr. Chairman, all I can say is that the same principles of fair play and justice will be applied to Newfoundland as to either of the other two provinces.

Mr. Lesage: That is very vague, of course. I would like to know whether Newfoundland will benefit to the same extent as the other Atlantic provinces?

Mr. Hamilton (Qu'Appelle): Quite frankly, as I said in my remarks on the resolution, in the beginning we had not looked at any particular project and had no particular project in mind for any other province besides New Brunswick and Nova Scotia. Therefore, as regards Newfoundland, I have not looked into the cost of coal at any particular point in that province. The legislation was extended to New Brunswick and Nova Scotia only for the reason that I gave. In case any particular project should come up we could apply the criteria we have applied to New Brunswick and Nova Scotia to that particular case.

Mr. Lesage: In the case of transmission lines, do I understand that each province will be asked to purchase that part of the transmission line which will be in its own territory?

Mr. Hamilton (Qu'Appelle): Yes, in the case of a transmission line or lines between two provinces each province will bear the share of the cost chargeable to the line in its own territory.

Mr. Lesage: What will be the arrangements between the provinces afterwards? Has that been settled?

Mr. Hamilton (Qu'Appelle): The only thing I can say about the agreement between the two provinces on the building of the inter-connecting line is that it is not completed. As far as financing is concerned, it is very clear that the cost will be apportioned to each provincial power commission and added to the capital cost of that project which is within their own territory. They will have to pay back the money for their share of the cost of that particular transmission line in 40 equal instalments.

Mr. McCullough: There does not seem to be much point in trying to belabour the fact that some of us do feel that this bill is discriminatory to some extent. Of course, in the province of Saskatchewan, up until 1944, with the exception of the Anderson government which took office in 1929 and which was a short-lived Conservative government, the Conservatives never hoped to have much chance of forming a government in our province. I cannot recall any time when they offered any assistance to give our people electricity in our province. It is certainly well known that the former minister of agriculture and his party, the Liberal party,