

Interim Supply

Mr. Bell: I can refer specifically to the words of the Minister of Northern Affairs and National Resources. I do not have his statement as it appears in the records of this house, but it is in the *Gleaner* of April 10, and this is what he said:

Under this proposal, the transmission lines would be rented on a non-profit basis and the power would be sold at cost to provincial electric systems. The purpose would be that the plants and other facilities built under this program can be acquired by the provinces at any time on payment of their amortized cost.

I do not take exception to this at all. I merely suggest that at the present time the proposal is still hazy, and that we do not know whether it is going to provide low cost power or not.

Mr. Robichaud: It is 20 per cent cheaper than Beechwood.

Mr. Bell: The point I am trying to make is simply this: there was no question about the province of New Brunswick being able to finance Beechwood. The fact is that we wanted to finance Beechwood at a low cost in order that we might be able to induce our new mineral resources development companies to come into New Brunswick and build up their enterprises there at this low cost rate. While there may be some hope of this—I am not throwing cold water on the prospect—we do not know whether this is really going to be cheap, low cost power. It is thermal power, and we know that it is expensive and that it does not compare, generally, with hydro power as far as cost is concerned; and in my mind this is still a nebulous feature of the proposal.

Thirdly, I would like to refer to the Saint John aspect of the proposal. Hon. members will recall that the other day when the minister was making a statement in the house he suggested that the new thermal unit might be located in Saint John or in Cumberland county, Nova Scotia. Under the New Brunswick government's original plan, the thermal unit had been announced as being intended for Saint John, New Brunswick. The provincial government has suggested that if the scheme should prove more economic and more feasible at another site it would forgo the rights or the interest which it had at Saint John and allow the commission to make an independent decision as to the location of this first thermal unit.

I respectfully suggest, without being too partisan, that there are many reasons why this first unit should still be built in Saint John. We have the fact that the maritimes largest industrial area is located in Saint John. We also have the fact that this thermal unit is to be dependent upon maritime coal, not particularly Nova Scotia coal and therefore

[Mr. Robichaud.]

New Brunswick coal would be fairly close to this large city of Saint John and the sea facilities. If oil ever was to be a later consideration, it would be readily available at that seaport. More particularly I refer to this report that has recently been released with respect to the Nova Scotia coal industry, namely part of the royal commission on Canada's economic prospects referred to this afternoon by the hon. member for Digby-Annapolis-Kings. At page 21, in the fifth section, under the heading of "New Potential Uses for Coal" I should like to quote as follows:

The question as to whether it is more economical to produce electricity at a mine or to carry the coal to thermal plants at load centres is determined by the relative cost of transporting equivalent amounts of energy. Studies have been conducted by the economics branch of the Department of Trade and Commerce which conclude that the transmission of electricity from thermal plants at the mines to load centres in the maritimes would be the more costly method . . .

Mr. Chairman, from this expert opinion we are forced to conclude that it would be much better to locate a thermal unit in a place like Saint John even though it is quite a few miles distant from the actual coal mine because the cost of transporting the coal, whether it is by subvention or otherwise, would still not be as great as would be the cost of transmitting the power to the industrial market which in this case would be close at hand. I suggest that those are practical reasons. I suggest that while we are being fair about the decision, we feel that Saint John has a great deal to offer in this respect.

In closing I only want to say that the premier of New Brunswick—and I know the premier of Nova Scotia has also taken the same stand—has called for a non-partisan approach to this entire matter. It is what we have been waiting for. Unfortunately the matter is going to be beclouded by the federal election. As has been suggested, many solutions have been offered for the maritime problems by way of reports of commissions that date back many years. But probably the best would be to have a federal election every year. While there is to be an election this year and no doubt the proposals will be the subject of discussion I feel that all maritimers are taking a fair approach to the matter. We realize it is a great opportunity and we are waiting for the further proposals, and the clarification of the details that will be coming.

I cannot resist putting on the record this evening a reference that was made in the New Brunswick budget speech of a few days ago which dealt with a matter that I discussed with the Minister of Finance last year. A full year ago I said to the Minister of Finance that the new payments under the