

completion of the St. Lawrence development, large-scale hydro resources in southern Ontario will have been fully developed. The major portion of this 5,000,000 kilowatts will, therefore, have to be met from thermal installations or from large blocks of hydro power which may be available elsewhere at competitive costs. Bearing in mind that Ontario has no indigenous supplies of conventional thermal fuels and that power from untapped hydro resources in other parts of the country must be transmitted for very great distances, we believe that atomic power can meet southern Ontario's future needs.

I have used the example of southern Ontario since it is of particular interest to this audience. Where similar conditions exist in other parts of Canada, atomic power will be available to supply the deficiency of competitive power from other sources.

The plans for the third stage of the programme which I have just described reflect our thinking as to the respective roles of the government and industry in the atomic energy programme. The government got into this business during the war years. This, in itself, gave the government the dominant position. Likewise, in the period of transition when the military objective was still paramount, it was to be expected that the full burden of the effort would still be carried by the government. However, as we enter upon the third stage of the programme, some modification of policy is desirable. That we have been able in Canada to carry out a research and development programme of a quality quite comparable with that in the United States and in the United Kingdom, is an achievement of which we can all be proud. But let us recognize that this has been done at considerable cost. The projected programme will also be costly. It is my view that the continued expenditure of large amounts of government money should have some justification beyond enhancing Canada's reputation in international scientific circles. That justification I see in the probability that atomic power will meet the demand for additional power in those areas of Canada which have exhausted their hydro resources and where the cost of conventional thermal fuels is excessive. I see it also in the creation of a new industry in Canada which will be capable of supplying the commercial market for reactors, reactor components and materials, and reactor fuels, here and abroad. Because of this, I believe the time has come when industry and the utilities should accept some share of the responsibility for the power reactor programme. As I see it, the future role of Chalk River will be to maintain a research and development centre which will permit Canada to hold her position in this new field. It will be the role of industry and the utilities to apply the results of this research and development effort. While the programme at Chalk River for the present will be concentrated on the small reactor project and the preliminary design study for a large reactor, we will co-operate fully with any company which is interested in pursuing a different line of approach. In this connection I might suggest the design of a small package reactor for use in the North. The proposed partnership of government and business is not peculiar to Canada. A similar trend is now under way in the United States and in the United Kingdom.

Over the years that I have been in Ottawa I have had occasion to read many resolutions concerning the relations of government and industry which are passed from time to