

would pay less than it now pays the oil companies. Also, there is this important side effect: It would create employment in Canada for many unemployed and boost economic growth in the Atlantic provinces; on the other hand the money we pay the oil companies simply enriches the coffers of the OPEC countries.

The government should consider making available funds to enable additional coal seams to be opened on Cape Breton Island, and consider a subsidy program, to be in place for a stated period of time, to enable electric power to be generated in the Atlantic provinces at rates lower than possible at present.

This afternoon the minister talked of difficulties with sulphur in coal. I point out that we have been using sulphur coal in many parts of Canada for years. You can extract sulphur from the coal successfully if you use scrubbers which eliminate pollution. I remind the minister that the oil we have been burning east of the Ottawa Valley, which comes from Venezuela, is sulphur oil, and we have been able to eliminate the problem of pollution. I do not think the difficulty is serious. If the coal possesses an adequate BTU content and a subsidy is paid on it, it will be possible to bring down the cost of electric power generation to a reasonable figure.

The other possibilities are hydro or tidal power. I agree with the hon. member for St. John's East that we should renegotiate the agreements governing power generated at Churchill Falls. If it wants to renegotiate these agreements, the federal government can bring to bear much power. It can force the phasing out of the export of power, if we need the power in Canada. We would do if we were at war, and we are war, at war against poverty and the lack of opportunity available to people in the Atlantic provinces.

**Mr. McGrath:** Hear, hear!

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** The federal government should show leadership in bringing together Quebec and the Atlantic provinces, to see that some of the power being generated at James Bay can be used in the Atlantic provinces instead of going to the state of New York.

We should also keep in mind tidal power, the development of which faces snags. But it should be kept in mind as a possible source of power in the Atlantic provinces. We must also remember nuclear power. New Brunswick is already planning to produce nuclear power. It is possible that if the hydro power—

**The Acting Speaker (Mr. Turner):** Order, please. I regret to interrupt the hon. member but his time has expired. He may continue with the unanimous consent of the House. Does the hon. member have unanimous consent?

**Some hon. Members:** Agreed.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, I thank the House for its indulgence. I shall take only a few moments more. I was saying that if coal thermal plants and hydro power do not meet the full energy requirements of the Atlantic provinces, nuclear power is a possibility down the road.

### *Energy*

If we are to solve the energy problem of the Atlantic provinces we must set up an interprovincial grid. The minister asked the hon. member for St. John's East if he wanted to "impose" such a grid. I suggest that it is not necessary to talk about imposing a grid. I suggest that the federal government should sit down with the four Atlantic provinces and say, "Look, here is your situation; we can help you at present with oil, by giving financial assistance. We can help you to generate electricity by helping with coal. We can also help you to renegotiate some power contracts, but nuclear power down the road may be your ultimate answer. We are prepared not only to help you with the financing of a nuclear reactor, but with the building of an interprovincial grid". If the government were to say that, I am convinced that the premiers of the Atlantic provinces, facing the situation in which they presently find themselves, would readily comply.

I close by saying that ultimately we shall solve the energy difficulties of this country only if governments, federally and provincially, are given a greater voice in the decision-making process and are involved in long-range planning.

I agree with the minister that Petro-Canada must have an important role to play. I see one of my Tory friends shaking his head. I want to say to him that if there is any group of people in this House or in this country who ought to recognize the need for public intervention in the development of energy, it is the Conservative party. The man who piloted this whole idea was Sir Adam Beck who, when he set up Ontario Hydro which has produced one of the greatest power systems on this continent, did it with the slogan "The gifts of nature belong to the people". That is still true. Whether it is coal, gas, oil, hydro or nuclear power, these belong to the people. This government and the provincial governments have a responsibility to see that the gifts of the people are developed for the benefit of the people.

● (2050)

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

**Mr. Woolliams:** I know the hon. member's time has expired, Mr. Speaker, but if the House agrees I would like to ask him a question.

**Some hon. Members:** Agreed.

**Mr. Woolliams:** The distinguished member has always been most fair. He was quite critical of the national oil policy of 1962. I think he will agree with me that Saskatchewan and Alberta oil was brought to the Ottawa Valley. We exported to the western United States exactly what we imported from Venezuela. The reason was that the maritimes and Quebec could buy it cheaper in that fashion and we could export it to the United States in an equal amount; both exports and imports being equal so that we were self sufficient. That is the real reason the national oil policy was developed under the Diefenbaker government. We were exporting equal to the amount we were importing because it was cheaper for the maritimes and Quebec to do it in that fashion. That was the reason for the national oil policy which the Liberal party continued and which they endorsed. I hope the hon. member will be fair in that regard.