

*Natural Resources—Development*

will be developed, which are sadly lacking at the moment, but which could be developed.

Since I am speaking of power I want to refer to one remark made by the hon. member for Cape Breton South, and I quite agree with him that there has been a misunderstanding with respect to the power situation in the province of Nova Scotia. There is available today power for ordinary domestic use and power which may ordinarily be required in that province in the immediate future, primarily due to the industry, imagination and courage which have been shown by the directors of the Nova Scotia Light and Power Company in supplying these huge steam plants in Halifax and elsewhere which burn Nova Scotia coal. That puts us in the position where no ordinary industry that wants to come into that province has to be refused because of a shortage of power. In fact, no one has been refused. When you think of the tremendous power requirements of an aluminum plant, or something of that kind, where power is an essential, we certainly have not got that. But there again there are tremendous possibilities of tidal power at cape Split, Passamaquoddy, and others to which reference has been made in the house, where co-operation between the provincial and federal governments could result in a great deal being done in that field.

I have spoken of New Brunswick. It is not my own province. In Nova Scotia we have not had the fortune so far to discover great base metal deposits such as were discovered in northern New Brunswick. Do not forget that the pre-Cambrian shield that runs across northern Ontario and Quebec dips and comes up again in northern New Brunswick, dips and comes up half-way across the island of Cape Breton. What has been discovered in one place, when these geological surveys are completed, might easily be discovered in another place.

For instance, we have a steel plant at Sydney which provides employment for many people. However, there are men working in that plant and people generally in that area wonder why iron ore should be mined in northern Quebec and Labrador, brought down the St. Lawrence, transported up the great lakes and into the United States. They wonder why we should be spending hundreds of millions of dollars to build the St. Lawrence waterway for that purpose when none of that ore is coming down to the natural geographical location at Sydney, which is like a wharf sticking out into the Atlantic. Secondary industries could be established and you would have contact with all markets of the world with the cheapest transportation possible. That is one reason we are interested

[Mr. Nowlan.]

in the development of our resources in Canada rather than having them shipped to the United States.

It was not so many years ago that we went through a similar experience to this, but in a smaller way, in the province of Nova Scotia. I am referring now to provincial governments. More years ago than I like to recall I happened to be a member of the legislature when the question of the erection of a paper mill in Nova Scotia came up. The leases were tied up with United States interests, and it was suggested that this was Tory propaganda going around that the paper would be made in Nova Scotia. The Rhodes government of that day provided the requisites in the way of timber and a paper mill, perhaps not tremendous when compared with other mills throughout the world but nevertheless a sizeable mill, was built at Liverpool by the Mersey company. The prosperity of that whole part of the south shore is dependent upon that industry. A town has been maintained and employment given throughout the years because of the inauguration of the simple little principle which is set forth in this resolution, the processing of Canadian raw materials in Canada.

I realize that this has to be treated sensibly. No one is suggesting for a moment that we should cut off exports of raw materials to another country. There exist obligations, there exist contracts, there exist rights, all of which have to be protected. There are types of raw materials which perhaps cannot be processed economically in Canada. I have one instance alongside my constituency. As the Gordon commission says, each one of these cases must be considered on its own basis and an individual study made.

We have deposits of gypsum in that part of the country. Because of the geographical location and the cheap water rates we are able to ship tons of this gypsum to the Atlantic states, where it is manufactured into plasterboard and other components of the building industry. There are tremendous gypsum deposits in Illinois and probably many other places in the United States. If one insisted on this being manufactured in Canada and if a duty was imposed by the United States government, it might be possible for those plants located on the seaboard to pay the freight rate, which they cannot afford to pay today, to bring the gypsum from the interior.

We are approaching this on a reasonable basis. No one is suggesting that this is the end of everything, that this is the solution of all problems. When the Conservative party forms the government this year it is not going to cut off all existing contracts and