

*Atlantic Provinces Power Development*

**Mr. Lesage:** The last question is this. Will the fees of the consulting engineers which the minister mentioned a few moments ago, the engineers which will be consulted jointly by the northern Canada power commission and the provincial authority involved—will the money which will have to be paid to them be added to the cost of erection of a plant or the transmission lines and form part of the total cost that will be paid by the federal government for the plant, to be reimbursed later by the province?

**Mr. Hamilton (Qu'Appelle):** That is correct. The thing I want to make absolutely clear is that the engineering and administration costs of the northern Canada power commission and the same costs of the various power commissions of each of the provinces in connection with the consulting firm are established in connection with each project and are assigned to those projects by mutual agreement. As the hon. member knows, under the Northern Canada Power Commission Act we have no right to add on any costs to the operation of the commission which can only reimburse itself by charges against users in northern Canada. They must all go into the capital charges that make up the cost of those plants in the provinces concerned.

**Mr. Lesage:** Except the original opinion of Montreal Engineering. It is provided for in the supplementary estimates of the minister's department and will be paid for by the government of Canada.

**Mr. Hamilton (Qu'Appelle):** Yes. There is a supplementary estimate for that matter.

**Mr. Lesage:** Could the minister tell the committee when he expects the Nova Scotia and New Brunswick systems to be linked or interconnected by transmission lines? In order to refresh the memory of the minister I wish to draw his attention to the recommendations of the Montreal Engineering Company. This is the fourth recommendation:

(4) That the electric utilities endeavour to complete the interconnections between their power systems by the end of 1959, the transmission lines to be single circuit and operated initially at 138 KV. As regards the new sections of line that will complete the link between Saint John and Halifax, serious consideration should be given to designing them so that they can eventually be operated at 230 KV.

**Mr. Hamilton (Qu'Appelle):** The Montreal Engineering report in this particular field gives an alternative.

**Mr. Lesage:** Yes.

**Mr. Hamilton (Qu'Appelle):** The attitude I have taken towards this matter is this. This engineering advice that we have received is put before the officials of the northern Canada power commission and, in this particular case,

[Mr. Hamilton (Qu'Appelle).]

the New Brunswick electric power commission. They apparently made the decision to continue the work in east Saint John and they will be completing the schedule of this transmission line in 1959, as the report recommended, as I understand this table of projects which they have recommended.

**Mr. Lesage:** Then the two systems would be linked by the end of 1959?

**Mr. Hamilton (Qu'Appelle):** As I understand this table. But there is another column here. The estimated final cost has not been given to me. This is the construction period of 1958-59 and I assume it will be completed by that time. I can only go by the table that they have given to me of the project that they want permission to go ahead with and the estimated amount, but there is no final estimate of the cost in this particular recommendation that they have given us.

**Mr. Lesage:** The importance of this question comes from the fact that, as the minister knows, Montreal Engineering in its report, gave the opinion that interconnection between Nova Scotia and New Brunswick would by itself reduce to a certain extent the cost of power to the users in both provinces.

**Mr. Hamilton (Qu'Appelle):** No comment from me is required.

**Mr. Lesage:** That is quite correct is it not?

**Mr. Knowles (Winnipeg North Centre):** There is a question I should like to put to the minister, based on the observations which I made when we were on second reading of the bill. Why did the government decide to deal with this matter by introducing a new bill, namely the one we now have before us, instead of by making what I think would have had to be only a minor amendment to the Northern Canada Power Commission Act?

May I say to the minister, before he answers that question, that he need not waste any further words over the argument as to whether one wants these power projects built within the provinces by the federal government as though the federal government were moving into a provincial area. When I spoke last night I made it clear that what we think would have met the situation better than this bill would be an amendment to the existing statute simply giving the federal government power to make agreements with the provinces along the lines of the agreements envisaged in Bill No. 244. The reason I suggest it would have been better to do it the other way instead of this way is that the existing legislation is definitely wider, on two counts, than is the bill now before us. These two counts