

Statement on Minas Basin Project

do, however, have access to low-cost fuel in the form of imported oil. To use this fuel to maximum advantage large, efficient thermal electric generating plants must be built and the utilities of the two provinces must work in a fully co-ordinated manner to support such plants. This action, accompanied by the construction of strong interconnections with adjoining utility systems in Canada and the United States, will go a long way towards making power costs in the Maritimes competitive with other areas of Canada.

We, as a government, have already indicated our desire to help achieve this end. The government of New Brunswick will receive federal financial assistance of at least \$4 million from the Department of Regional Economic Expansion to the electrical interconnection under construction between that province and Quebec. Through this tie, the Maritime area will receive power from the giant hydro complex now being completed at Churchill Falls.

This government stands ready to consider other appropriate assistance to projects of major significance to the power systems of these provinces. The utilities on their part must move towards the co-ordinated planning which is essential to the achievement of a low cost and dependable power supply.

Mr. Comeau: This is terrible.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, although I thank the minister for giving notice of his intention to make a statement in the House and for delivering to us a copy of the press release on the question of Bay of Fundy tidal power issued by his department, I must say that the report of the Atlantic Tidal Power Programming Board was very disappointing, as was the minister's statement.

● (2:10 p.m.)

Some hon. Members: Hear, hear.

Mr. Nowlan: Certainly, those in the Atlantic area who twice a day have heard the roar of the Bay of Fundy tides and realized their potential for development are most disappointed. Notwithstanding this report, I still believe the potential for the development of tidal power in the Bay of Fundy is just as strong today as the sound of that Fundy tide when one stands at the edge of the shore. The bay is in my constituency, it is true, but the implications go far beyond my own constitu-

[Mr. Greene.]

ency. They concern the whole of the Atlantic northeast, particularly the northeastern United States.

As the minister says, this has been a joint project shared by the federal government and the governments of New Brunswick and Nova Scotia. I have just had a copy of the report delivered to me. I suppose I would have to agree with what the minister said in his statement; as far as the technical factors are concerned I am not in a position to question them at the moment. But they do not tell us anything new. We were aware that for technical reasons tidal power would be more costly than other sources of power. But though the press statement referred to it, the minister did not mention this afternoon that part of the report which states, on page 21:

It is concluded that tidal output could become competitive with energy from alternative sources when the interest rate drops to about half its current value.

High interest rates are among the main reasons why, to judge from the attitude of the minister toward some of the opinions expressed in this report, this project did not proceed further. I shall not attempt to deal with the subject of interest rates today. I recognize they present a perplexing problem. But when interest rates so directly effect an area such as my own which lacks the economic potential of other provinces such as Alberta, Ontario and British Columbia, I had hoped—and I still hope—the governments which have power to control interest rates in some way, would try to eliminate or reduce their impact on projects such as the one I am considering now.

Both the minister's statement and the report are disappointing because of their negative outlook. As I say, we knew it would cost more to develop Fundy power. We had hoped, though, that after spending 2½ years on this survey, those responsible would have done more than clarify technical details; we had hoped that the report would contain positive recommendations to reduce or eliminate some of the problems which were bound to be connected with the realization of the project. I ask you this, Mr. Speaker: if people had paid attention to the arguments put forward by the minister and embodied in the report, founded on immediate economic considerations, would the CPR ever have been built from coast to coast across this land?

Let us turn to the present day. Would the consideration of immediate economic factors have justified the building of the St. Law-