

sideration and indicate to us what the minister intends to do in the fields of hydro electric energy and the use of explosives.

• (2:50 p.m.)

[English]

**Mr. Coates:** Mr. Chairman, I wish to make a few remarks concerning the programming board report on the development of tidal power in the Atlantic provinces. This is a matter of the utmost interest to the people of the Maritime provinces, and the minister himself has indicated an interest in it. At the same time, I wish to point out that there are some aspects of the potential associated with Fundy power development with which the minister is not as fully versed as we in the Maritime provinces would like him to be. I hope to bring some of these aspects to his attention, trusting this will result in his developing an ever-increasing interest in the harnessing of the tides, stimulating a dialogue within his department that will result in the updating of the programming report which was prepared and made public in 1969.

I would first like to tell the minister that, I personally, and I believe the people of the Maritime provinces in general, appreciate his indication of willingness to review the findings of the programming board. We hope that a review will be undertaken immediately by officials of his department. There has been some laxity on the part of the provincial government of Nova Scotia in requesting the review which the minister has said he would carry out if he were asked to do so by the premiers of Nova Scotia and New Brunswick. The Premier of New Brunswick has said he believes such a review would be in the interests of the public, but the Premier of Nova Scotia, for reasons still best known to himself, has said he sees no particular value in such a review. He is carrying on negotiations with private interests with respect to development of power from the tides.

I believe it is in the interests of Canada that the federal government undertake an immediate review of the programming board report, because I think that everything associated with the tidal power that would be generated would involve the federal government. Because of this, it is essential that the federal government become involved in all discussions that transpire or are undertaken, either with private interests or with public interests. There is firm evidence to indicate that the bases on which the programming board made its conclusions no longer exist. Much new technical information is available with respect to lowering the construction costs of the dams necessary to harness the tides, and thus reduce the cost of the power generated.

I wish to put some evidence on the record of *Hansard* to indicate the degree of the problem that faces the northeastern part of the United States. I do so because it is evident that the amount of power generated from the tides will be far in excess of the requirements of the Atlantic area, and there would be a ready market for that surplus power in the New England states.

#### *Government Organization Act, 1970*

An article by the New York *Times* news service, which appeared in the *Chronicle-Herald* on December 11, 1970, stated among other things:

The problem of long-range scarcity of energy in the United States, however, remains unsolved. And even for this winter, fuel reserves are precariously low.

Since December 11 last, we have discovered that article was founded on the basis of real evidence because they have been experiencing sharp shortages of power in the New England states. The article also contains these paragraphs:

The price of coal in October was more than 50 per cent higher than a year ago according to the Wholesale Price Index prepared by the Bureau of Labour Statistics. The cost of residual oil which is used for fueling steam turbines and other industrial purposes, has risen by about 60 per cent.

The cost of electric power has not climbed steeply yet, but the price of electricity inevitably will reflect fuel costs. In fact many, if not most, electric utilities have already applied for rate increases, citing fuel costs as their chief reason.

Gulf Oil, Humble Oil, and a number of other companies have announced an increase in the price of crude oil—

There is wide agreement that the sharp rise in energy consumption over the last five years has been an important factor in producing the fuel shortage. Energy use has grown by nearly 5 per cent over that period while in the years 1947 through 1964 consumption grew by an average of 2½ per cent a year.

A new emphasis on clean fuels that will not pollute the air has created heavy demands on natural gas and low level sulphur oil and coal. Supplies of gas are limited. Demand for residual oil has soared, both here and in Europe.

I might point out that the energy produced from the Fundy tides would be completely pollution free. Recently, the United Nations has shown an interest in tidal power as a form of energy because of its pollution free aspect.

The programming board, in effect, said, exactly what the minister said when replying to questions from me and other Maritime members about Fundy Bay power, that the decision would be made on strictly economic grounds. If I felt it were a fact that cheap power could not be produced from the tides, then I would hold that the Fundy tides should not be harnessed at the present time. But I point out to you, Sir, that most of the experts disagree with the Minister of Energy, Mines and Resources and his officials. They say that the Fundy tides should be harnessed at the earliest possible date. They base their case on the ever-increasing cost of competing fuels. They say that everything is increasing in price, and that there is no reason to expect that power will not increase in price. They say that the sooner we undertake to build the dams to harness the tides the better chance we will have of producing power economically.

Mr. F. L. Lawton, the former director of the study group which produced the programming board report, later made certain statements which were referred to in an editorial in the *Daily Gleaner*, May 26, 1970. I quote from it as follows:

Mr. F. L. Lawton, former study director of the tidal power programming board, in a speech yesterday kept to the interest rates theme. Interest rates would have to drop to about half their current value, he told the conference, to make power economically attractive in the Bay of Fundy. But, he said, despite the findings of the board, "there are a number of other in-