

Mr. WHELAN: Well, maybe they do not have enough knowledge or they lack the proper information, I do not know. There is one other question which I would like to ask, Mr. Chairman. I think it was Mr. Kilgour who mentioned electric power in the north, and he pointed out that you are subsidizing the south and that you have ample water sources to develop more electric power. Would this power be developed at the present time if it was not for the fact that it was being distributed to the south? Do these power developments not help the north right now?

Mr. KILGOUR: As far as employment goes, no. During the development stage, yes. As an illustration, there are six power plants on the Abitibi and Mattagami rivers with one person operating all of them from an automated plant, so there is no great advantage to us from a payroll standpoint, once the power is developed. I am talking about northern Canada. Ontario Hydro have developed, I would say, the greater portion of our potential sites in northern Ontario. I am also thinking about the development in Labrador, and I think the assistance given by the federal government to the Manitoba government helped the recent power developments in their northlands. Then, as taxpayers, we are busy paying for the development of high voltage lines, which are very expensive to develop but are efficient once they are in operation. As users of hydro we help to pay for that but we do not receive any greater advantage from being closer to the source of the power than the man four or five hundred miles away. It is an equalized rate. Mind you, we have enough people so that it is not going to cost any one person very much to subsidize but, at the same time, if distance and isolation have disadvantages there should also be the advantage of being close to the source of power. However, we do not get that advantage, so in that manner I would say we are subsidizing these other people.

Mr. WHELAN: But there is not enough industry in the north to use this power.

Mr. KILGOUR: Not as of now, but in 1867 there were not many people using electric power, either. So, I think we need immigration. I think population is our number one need. If we have population, we will have industry; if we have industry, we will have population.

Mr. CRAM: I think what brought this power question up more than anything else is that this past year Ontario Hydro changed their rates, and the Chairman of Ontario Hydro said on TV a day or two ago that we would not feel the effect of it for a while. Nevertheless, the manager of the northeastern region was around to our plant some months ago and he told us that the rates were going up, and they did go up. The schedule they have put in now is equalized for the province, and those who consume 5,000 kilowatts or more a month get a low rate and those who are small users get a high rate. Well, for someone using in the area of 1,000 kilowatts, which I happen to know about because that is about what we use and we are one of the bigger users other than the really big industries, we are paying approximately 10 per cent more. As far as helping to develop our specific area of Ontario is concerned, this is not helping. It is a hindrance, because the small industries have to start small—unless they are a big mine—and if you are talking about secondary industry it usually has to be small of necessity, and they have to pay a higher rate than somebody down south.

Mr. WHELAN: This is what I am trying to get at. If there were a real program put on for industry to come there, you feel that the hydro would be a perfect machine to use—

Mr. CRAM: Well, that is one thing, but it is only a small part of the answer.