

expected to grow throughout the coming decade and well beyond.

The minerals and metals sector is a sector of this country's vibrant economy which is made up of more than 9,000 firms. It employs more than 400,000 people directly, from the Atlantic Ocean to the Pacific Ocean. In 1980 it produced more than \$43 billion worth of goods and services. We are, I offer, a very healthy country with a very healthy economy.

Some hon. Members: Hear, hear!

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I listened to the minister with some interest because I thought that in the last minute or two of her comments she would get to the east coast. We welcome and, indeed, give credit for the good sense the government had in carrying on projects which had, in fact, commenced a long time ago, ideas which have come with time, probably because of the explosion in world energy prices over the last seven or eight years.

Coal development is an interim measure for Nova Scotia. We had absolutely no choice. We consider it to be a good mid-term and long-term posture and investment for Nova Scotia and for the federal government, in terms of the economy of Atlantic Canada, to get on with the coal development in Nova Scotia.

In connection with that, though, it puzzles me somewhat to read and learn over the last four or five days that Dr. Read, of the oil substitution grouping within energy, mines and resources, has advised Mr. Dave Nantes, the president of the Tidal Power Corporation, the Crown agency of the province of Nova Scotia, that the federal government is, in fact, now seriously considering withdrawing funding from current and ongoing studies which will, in fact, terminate a little bit later on this year. The federal government had been directly involved in those studies through its position as a member of the co-ordinating committee with respect to Fundy tidal development. The government had said that it would terminate any further funding for that portion of the studies which could be related to any future export of electricity.

I indicated that coal had interim and short-term benefits, with some long-term employment and other benefits, for Nova Scotia. However, the long-term and mid-term benefits of Fundy tidal power lie in the fact that these resources are renewable. They are not finite; they are renewable. Therefore, it surprises me that as we near 1982, when there has been the final and major decision to go ahead with planning, engineering and other developmental studies with perhaps as much as \$5 billion in expenditure, the federal government has threatened to withdraw funding. Up until now, the federal government has virtually carried the ball and has been given all the credit in the world. It made sense when it started some years ago, continues to make sense today, and tomorrow I suppose it will make even more sense, so it surprises me that it would threaten to withdraw funding.

I cannot understand why, at a time in the development of Fundy tidal power when it is so critical to getting on with development so that we might realize the benefits from this

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tremendous renewable source during the 1980s, that it would, in fact, threaten to withdraw funding. I hope this is not the view of the government but, rather, a bureaucratic reaction to what the money is being spent on. It is rather simple: the money is being spent on updating costs, identification of transmission costs and a marketing study. All these things are necessary because Fundy tidal power is, of course, an enormous project.

In order to make it economic for Atlantic Canadians and other Canadian as well, the markets must be commensurate with the size of the project. Large markets imply that we must go to the northeastern United States and, particularly, New England if we are to find the sales which will make construction of Fundy tidal power economically feasible. This would continue to make it of value not only to Atlantic Canadians but to all Canadians.

It puzzles me why the government would do this. It has never happened before. The Minister of Labour (Mr. Regan) would probably be aware of this fact, and certainly the Minister of Energy, Mines and Resources (Mr. Lalonde) would also be aware, if he were in his seat. I am sorry that he is not. I also regret that there are not maritimers in the House now.

Never before, in the history of Fundy tidal power has there ever been such a high level of interest. The United States is passing legislation which will enable it to participate in this development, its acquisition and distribution. Investors in the United States are evidencing interest almost daily. Even the briefest of conversations with Mr. Nantes, the president of the Tidal Power Corporation, would lead one to a very clear understanding of the very high level of investor interest. That is why most of us are confused when we see the government back away from its commitment to the continuing preparatory studies which are necessary to any significant development of the Fundy tidal power, and it is only a significant development that will make it economically viable.

● (1720)

We have been talking about energy and home heating in all this kerfuffle. I wish my opponent in the last general election were within earshot today. He went with me from meeting to meeting, telling the people that the Liberals would never, never allow the price of gasoline to rise by the 18 cents per gallon that the Conservatives were "forcing down their throats". There have been 13 increases in the 16 months since the Liberals returned to office, Mr. Speaker. They were returned on the panic they instilled in Canadians about the question of the 18-cent increase in the excise tax. Yet the total increases this year alone will probably reach \$10 per barrel. What we have seen today is just the beginning, not the end. The price of home heating oil has increased by 37 cents per gallon, without cushioning.

The minister spent his allocated time discussing the Crosbie budget without uttering a word about the intentions of the government on the direction in which it is leading Canadians. I should like to read into the record two points from the Crosbie budget as follows: