

ask the Prime Minister which of the two options the government is going to choose.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, with regard to the financing aspect, I repeat to the hon. member what I told the press conference this morning, that is, that I am not aware of the particular provisions on the financing and I would defer to the minister on that.

As to the statement that the pipeline is indivisible, I disagree with the hon. member. There is nothing in the act which says it is indivisible. On the contrary, there is a section—section 12, I believe—which permits it to be divided, provided certain guarantees are given, and it is the nature of those guarantees which the government is presently expressing in order to determine whether or not we would let one part go ahead while waiting for the other part to be terminated.

Mr. Broadbent: Just to be very clear on the subject, let me point out that it is true that the pipeline may be divided in terms of the period of construction. But it is equally clear, in terms of the legal advice given to the National Energy Board by its legal advisers, that in terms of the guaranteeing of the financing before any section can be built, the financing of the whole pipeline has to be guaranteed. That is the crucial point. I should like to ask the Prime Minister if he agrees with that.

The language which I read out in the first question is unambiguously clear where it says the financing of the whole pipeline must be provided before commencement. "Pipeline" is defined as being a pipeline from Alaska to the American border. Does the Prime Minister agree, then, that before we proceed with the pre-build, a total guarantee has to be obtained for the financing of the whole pipeline?

Mr. Trudeau: Madam Speaker, I just answered the hon. member that on the problem of financing, I am afraid I cannot enlighten him any more than I was able to enlighten the press conference this morning.

Some hon. Members: Oh, oh!

An hon. Member: Find out.

Mr. Trudeau: What is the hon. member behind there saying? They do not feel well over there, Madam Speaker. That is not our responsibility. I am trying to answer the hon. member. I do not know the answer on the financing.

An hon. Member: Find out.

Mr. Trudeau: I will.

Mr. Broadbent: Madam Speaker, the people of Canada, I think will be more than a little disturbed that the Prime Minister, when he is discussing a project which may cost \$22 billion, admits—two days before the cabinet is to make a decision on this matter—that he knows nothing about the financing of it. That is an incredible admission.

I should like to ask him if he can assure the House that if the interpretation is as I have outlined it, as the legal advisers

have suggested to the National Energy Board is the correct interpretation, after he—the Prime Minister—finally does his homework, will he assure us that we will either have a debate concerning an amendment in the legislation or he will not proceed with the pre-build?

Mr. Trudeau: Madam Speaker, the answer is predicated on the legal advice which the hon. member says was given to the NEB. I admitted that I am not aware of this aspect of the question. I will do, as the hon. member calls it, my homework. I am sure the Minister of Energy, Mines and Resources, who is at present, I believe, in Saskatchewan trying to see to the implementation—

Some hon. Members: Oh, oh!

Mr. Trudeau: Now it is the Tories who are a little bit ill because the minister is in Saskatchewan. As I told the hon. member, I am sure the minister will be able to answer the question. I am sorry I am not, but I will inquire.

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● (1430)

ENERGY

LEGALITY OF INCREASE IN PRICE OF PETROLEUM PRODUCTS

Hon. Bill Jarvis (Perth): Madam Speaker, my question is directed to the President of the Privy Council, who I am sure shares the concern of all members of the House with the unhappy, unsatisfactory events of last Friday in which the Minister of Energy, Mines and Resources dealt with raising the ceiling under the Petroleum Administration Act. I believe certainly it was not done maliciously—I do not make that accusation—but likely it was done very mistakenly. Now it appears very doubtful that the 2.5 cents per gallon tax on all consumers of petroleum products is illegal—

Mr. Baker (Nepean-Carleton): Is legal.

Some hon. Members: Oh, oh!

Mr. Jarvis: Is legal; I am sorry. Given that situation, is the President of the Privy Council privy to the advice of the law officers of the Crown in this regard? Can he inform the House whether that legal opinion indicates that the measures taken last Friday are abortive, in a legal sense, leaving the government open to the obvious remedies of any citizen of Canada who has been subjected to that tax?

[*Translation*]

Hon. Yvon Pinard (President of the Privy Council): Madam Speaker, this point was raised last Friday during the debate on procedure. The Minister of Energy, Mines and Resources had unsuccessfully sought in our Standing Orders some provision whereby we could have introduced this new levy without offending the opposition. Madam Speaker, you handed down a decision to the effect that everything we had