

the high rates being charged for electrical energy. Officials of the commission responded by saying that increased costs in the last year, particularly of diesel fuel which run the diesel generators, were responsible for the increased charges.

The citizens of Dawson city, of the Yukon and the Northwest Territories, are isolated. They depend on diesel fuel, the cost of which has been going up. The price of oil, a matter of vital interest to the people of the Yukon and the Northwest Territories, is being dealt with at the conference across the way; yet the people of the territories are not given any input through elected representatives with respect to the setting of oil prices, including diesel oil prices. There is not a damned thing we can do. I think it is sad when citizens of Canada who live in our two northern territories are denied privileges which are accorded other Canadians through the electoral process. This is a sad state of affairs.

Members taking part in the 1948 debate were concerned in case the body being created by the government became a monopoly. The right hon. member for Prince Albert (Mr. Diefenbaker), who was active in that debate, said as recorded at page 5174 of *Hansard*:

I did not quite understand the minister. Did he say that when this commission takes over it will enjoy a monopoly privilege in the production and distribution of power within the territories? Is that the general plan in view?

The minister, Mr. MacKinnon, replied, "It is not a monopoly of power." As reported at page 5175 of *Hansard*, the right hon. member for Prince Albert said:

Thank you, sir. I come back to this matter because the minister takes so many words to answer a simple question. Is it the intention of the Northwest Territories power commission to be the exclusive producer and distributor of power within the Northwest Territories, subject to the existence of one company which at the present time generates power there?

The right hon. member was referring to the Yellowknife Consolidated Gold Corporation. Mr. MacKinnon, the minister, again replied at considerable length but did not quite answer the question and the right hon. member for Prince Albert had to ask the question again, to which the minister replied as follows, as recorded at page 5175:

I think it is essential at times to add something to the answer rather than to say merely yes or no. But in this particular case, answering briefly, I would say that it is not the intention of the government or the commission to do what is suggested by the hon. member.

The right hon. member had asked whether there was to be a monopoly in the production and distribution of power. *Hansard* then records the following exchange:

MR. DIEFENBAKER: To have a monopoly?

MR. MACKINNON: Yes.

The minister agreed that it was not intended to provide a monopoly power. Clearly, when Northern Canada Power Corporation was created it was not intended to give it a monopoly in the production and distribution of power. Last January 20 a meeting was held, presumably in the minister's office or close to it. Several people took part in this meeting, representing the industry and the department, including the minister. It is my information that he was there with his deputy and his special assistant—I believe Mr. Robinson is the name. The meeting got under way at 9.30 in the morning and the minister, according to

#### Northern Canada Power Commission Act

my information, made the statement that the Northern Canada Power Commission had been granted the exclusive right to produce and distribute power within the territories, local distribution to be decided by the local government.

● (1610)

Mr. Speaker, I take exception to the statement by the minister, if he made it, and I have no reason to believe he did not. He said the Northern Canada Power Commission had been granted the exclusive right to produce and transmit power within the territories. Nothing of the kind! Nowhere in the present act is there any statement that the commission has an exclusive right to produce or distribute power within the two territories, and nowhere in this bill do we find such a provision. So it ill behoves the minister to attempt to leave the belief among his listeners that somehow legislation is in existence, or is about to come into existence, which gives the commission the exclusive right to produce and distribute power within the Yukon and the Northwest Territories.

The amendment to the act of 1948 which was brought forward in 1956 again raised this question, and the minister of northern affairs of that day who was sponsoring the bill was asked whether some kind of monopoly would be created with respect to the production and distribution of electrical power in the Yukon. The minister, Mr. Lesage, gave the same kind of assurance. Reports of the debates will be found in *Hansard* of February 27, 1956, April 25, 1956, and July 30, 1956. To sum up briefly, the minister of that day, Mr. Lesage, gave the same kind of assurance as was given by Mr. MacKinnon.

I suggest to the House and to the minister that the only reason those bills were passed in those days was this assurance, and that it is an act of deception to come before the House now and take a position different from that which obtained at the time of the passage of the act of 1948 and the amendment of 1956. It is an act of deception, perhaps unintentional, on the part of the minister to suggest there is some kind of legal exclusiveness in the right of the NCPC to produce and distribute power in the Yukon and the Northwest Territories. It is simply not true in law. If the minister wants to create a policy outside the powers contained in the act, that is another matter. It is not unusual to find ministers in this government exceeding the powers given to them by legislation. If any hon. members are skeptical in this regard, I have no doubt I shall be able to convince them. The hon. member for Northwest Territories will be particularly interested since I believe there are one or two profitable power generation plants in his constituency.

The existing legislation permits any revenues generated by any one plant in the system to be used for the purpose of improving that plant or for distribution by way of rate reductions to consumers of the power generated by that plant. That is what the act says and that is what the existing legislation permits the commission to do. But when we ask in committee or, on occasion, in the House whether the commission has been complying or not, they say, "Of course we have been complying. We are not breaking the law." I then point out that they have been tabling a financial statement on a plant by plant basis since 1948, yet all of a sudden this practice stopped—three