

## Gas pricing guidelines set

The federal government has announced a policy establishing guidelines for domestic natural gas pricing for all markets east of Alberta.

The basic policy objectives relating to natural gas pricing were stated in the National Energy Program (NEP), released last October 28. These objectives are to encourage the use of natural gas in preference to oil, to ensure the commercial viability of the natural gas pipeline extension into Quebec and the Maritimes, and to ensure that the natural gas prices in all eastern Canadian markets — from Toronto to Halifax — are set at the same level.

### Policy objectives

The pricing guidelines announced will ensure that the policy objectives of the NEP are met. In particular, the guidelines establish the way in which the new Trans Quebec and Maritimes Pipeline system, which proposes to extend natural gas service from Montreal to the Maritimes, will be integrated into the existing natural gas system for purposes of pricing.

In essence, the new guidelines ensure that Trans Quebec and Maritimes and the existing TransCanada Pipelines system will be considered as one integrated pipeline system for purposes of establishing the Alberta border price for natural gas. This principle guarantees the commercial viability of the new Trans Quebec Maritimes pipeline system.

Energy Minister Marc Lalonde emphasized that the pricing policy established in the NEP, which is now being implemented through the new guidelines, does not envisage that the full cost of the new Trans Quebec and Maritimes system will be borne by Alberta and the Alberta producers. The NEP indicated that \$500 million would be set aside to assist the rapid construction of new natural gas transmission systems.

To ensure that the producers will not have to assume an unfair share of the start-up costs of the Maritimes Pipeline, the minister said that a significant portion of the \$500-million transmission expansion fund would be dedicated to the Maritimes system. Mr. Lalonde said that discussions were now under way with Alberta and the sponsors of Trans Quebec and Maritimes, to determine the form that the federal contribution would take.

## Canada-Mexico industrial co-operation agreement ratified



Secretary of State for External Affairs Mark MacGuigan (centre) holds a copy of the document ratifying the Canada-Mexico Agreement on Industrial and Energy Co-operation. The agreement was signed May 27 during an official visit to Ottawa by Mexican President José Lopez Portillo. Dr. MacGuigan is flanked by Mexican Ambassador Barrios Gomez (right) and Minister of Industry, Trade and Commerce Herb Gray (left) following the exchange of notes between the two countries.

## Refugee relief assistance

Canada is contributing more than \$2 million in relief to Ethiopia, Lebanon and China.

The Canadian International Development Agency (CIDA) recently provided a \$1.4-million grant for refugees in Somalia to the United Nations High Commissioner for Refugees (UNHCR) as part of a 22.4-million pledge made by the Canadian government at the International Conference on Assistance to Refugees in Africa held in Geneva in April. The UNHCR has also received a CIDA contribution of \$750,000 for refugee relief in Pakistan.

During the fiscal year that ended March 31, 1981, Canada gave \$3 million in bilateral food aid and approximately \$840,000 through various organizations to alleviate the Somali refugee situation. Canada is also the second largest contributor (\$95 million) to the World Food Program, which is the principal relief agency in the area. The Canadian government also provided \$2 million in emergency relief funds last July for Afghan refugees in Pakistan.

CIDA has also announced that it has given \$100,000 to the International Committee of the Red Cross (ICRC) for humanitarian assistance to victims of the conflict in Lebanon. The contribution is in response to an international appeal by the ICRC to cover relief and protection programs through August 1981. Since 1975, Canada has provided \$5.9 million in assistance to Lebanon, including \$3.6 million in food aid.

Cash contributions in all cases have been channelled through the ICRC as the only agency able to function in Lebanon with neutrality and complete non-partisanship required under the Geneva conventions.

Canada has also responded to an emergency request from the United Nations Children's Fund (UNICEF) with a \$50,000 grant to help provide relief to the victims of drought and flooding in China. A total of some 40 million people have been affected by drought in Hebei province and flooding in Hubei province. The grant will be used to help UNICEF provide vitamins to supplement the nutritionally deficient diets of infants and pre-school children.