

*Supply*

Saskatchewan to have the proper kind of irrigation available so that they can grow crops necessary to feed the people of Canada. At what point in time would the hon. member accept a dam being built anywhere on any river, but particularly the one we are talking about?

• (1520)

**Ms. Blondin:** Mr. Speaker, there is only one answer to that. It is at a time at which a government that has committed itself to an environmental assessment review owns up to that legislation. That is the only time that a decision can be made as to whether or not a project can go ahead with regard to the proper environmental stewardship and all aspects of sustainable development.

**Hon. Robert de Cotret (Minister of the Environment):** Mr. Speaker, the Saskatchewan Power Corporation is proceeding full speed ahead with construction of the Rafferty-Alameda water storage project. This situation is not in compliance with the federal court order of December 28, 1989.

[*Translation*]

According to the guidelines governing to the federal environmental impact review process, the December 28, 1989 Court order requires one environmental review before the project can be completed. I wish therefore to list the options which the government considered in order to meet the challenge raised by the Saskatchewan government.

[*English*]

It may appear at first thought that the most direct and expedient means available to me as minister responsible for the International River Improvements Act is simply to revoke the licence that my predecessor granted for the Saskatchewan Power Corporation to construct the Rafferty-Alameda project under this act.

That is what the hon. member for Regina—Qu'Appelle is suggesting as well.

Indeed, there is provision under the IRIA, section 13(1), for me to do so where a licensee has failed to comply with the terms and conditions of the licence. However, my officials have advised that the corporation is not in breach of any of the 22 conditions specified in the licence of 1989.

Moreover, since the act's regulations would give Saskatchewan months to comply with terms and conditions, any breach that occurred could not be corrected quickly. Given the pace of construction, the project would be finished before I would be able to revoke or suspend the licence. In other words, this option is not useful in the current circumstances.

The Government of Canada intends to proceed on this matter as follows. Mr. Speaker, I am under a court order to have a panel at work. I will comply with that order. I will meet my obligation to appoint a panel as soon as possible to resume the environmental assessment work that was stopped last week. At the same time, the government will take the necessary steps to ensure that the Alameda project not proceed until a full and proper environmental assessment can be completed.

Let me recall for the House the actions taken by my predecessor in response to the Federal Court order of December 1989 in this matter. As instructed by the court an environmental assessment panel for this project was appointed before January 30, 1990. At the same time an agreement was signed with the Saskatchewan Power Corporation. The terms of reference for the assessment panel and the agreement with the provincial corporation are consistent with reference to project construction.

Construction was to cease until the panel's recommendations had been received and I had the opportunity to amend the licence to take them into account. Only safety related construction on the Rafferty dam was permitted. This arrangement is demonstrated in the compensation clause whereby the Government of Canada offered financial assistance to the corporation to offset the expected cost of delaying the project. The Government of Canada has kept its end of the bargain in all respects. Saskatchewan has not. Therefore, as I stated in the House last Friday, I have instructed my officials that the October payment be suspended and that the November payments be frozen.

I visited the site in July and can assure the residents of this area of my sympathy for their efforts to come to grips with the vagaries of floods and droughts. The Rafferty and Alameda dams are needed by Canada to provide irrigation water for 4,800 hectares of farmland, for protection from flooding and for a resource of water