

*Water Resources*

Punitive measures do, however, have a place where flagrant and persistent violations are committed, or where tangible damage has resulted. National standards induce people to deposit harmful wastes to degrade water down to that standard and, as has been mentioned several times during this debate, general or national standards cannot possibly take into account the many special factors which apply to individual river basins or regions. I do not wish to be interpreted as saying that these punitive instruments have no place in pollution control. Clearly they have, but taken alone they have proved historically ineffective in maintaining and improving water quality.

The concept of effluent discharge fees embodied in the bill, to my mind, is one of its boldest and most imaginative features. It takes into account:

1. That there are social costs in the form of pollution resulting from many productive processes

2. That these social costs vary, depending upon the nature of the pollution, its aggregate volume, the characteristics of the receiving waters and man's use and enjoyment of these waters

3. That the contribution to pollution which industry makes is specific to the industry or plant; and

4. That there are a number of alternatives open to the firm or industry such as a change in production processes, recirculation, reclamation of waste and advanced forms of waste treatment.

The operation of the effluent discharge fee system would be straightforward. With the designation of water quality management areas and the constitution of the water quality agencies as provided for by the bill, a schedule of fees would be devised based on waste loadings, the characteristics of the water quality management area and the use of the water resource. These fees, when approved by government, would be levied on the firms and industries within the area for specific discharges and volumes.

The effluent dischargers would thereby be given a discreet and tangible incentive to undertake alternative courses of action such as recycling, advanced waste treatment, recovery of byproduct or a change in the production process. Fees could be used by the agency to undertake construction of treatment facilities for the effluent if it deemed this course of action advisable. Periodic

review of the fee structure would ensure that water quality was maintained and, over the longer term, substantially improved.

I hope that without going into economists' jargon about "internalizing external economies and diseconomies," and so on, I have succeeded in drawing the attention of hon. members to at least one important aspect of the bill. Land, forests and minerals in this country were once in the category of free, or almost free goods which were open to exploitation or misuse. Over the decades this situation has changed, until today they are conserved and husbanded; it is recognized they have a value and a cost.

I believe this principle should be no less applicable in the case of water quality. Those who claim the fees which put a price on quality constitute a licence to pollute, miss the point. These fees are a penalty. They constitute an incentive not to pollute. They are a preventative force. On the other hand, standards and fines alone do give a free licence, with full legal and moral support, to pollute down to that standard. The record, expert opinion and commonsense all say they are not enough.

As to the bill now before us, the House has an assurance from the Minister of Energy, Mines and Resources that when it is in committee amendments will be considered, and if they are in the national interest and compatible with the principles of the measures, they will be accepted. I hope that as we continue the discussion this evening those who wish to express their opinions on the bill will not hesitate to do so, and that the legislation will then be sent to the committee as quickly as possible.

Contrary to the opinion which has been expressed on more than one occasion in this House, I believe there are many in this country who will wish to acquaint the committee with their views on water management in Canada. I hope that people across Canada who are concerned with the maintenance of this resource and its preservation in the best possible state for Canadians of this and future generations will come forward.

I have sought to deal with two or three of the objections which have been raised by members of the opposition in respect of this bill. I hope that when the committee meets, those who have expressed their concern along these lines will make their views known once again to the committee. I can give the House an assurance such as which the minister himself will give later—that the matter is still