

*Northern Pipeline*

Under schedule III of the pipeline bill, referring specifically to paragraph 9 on page 51, the company must submit to the minister a detailed manpower plan designed to ensure the maximum possible use of Canadian labour. Apparently the company plan can be amended by the minister, but once this is done the company must comply with the plan.

Curiously, on page 3 of the minister's release dated February 3, 1978, which is entitled "Outline of Northern Pipeline Agency", the following words appear. Hon. members would do well to consider them carefully. I quote:

Other responsibilities of the agency such as the development of detailed procedures and guidelines relating to Canadian content, and the co-ordination of the development of an appropriate manpower training and delivery system will also be undertaken by the commissioner in the interim.

These words are pertinent:

—co-ordination of the development of an appropriate manpower training and delivery system will also be undertaken by the commissioner in the interim.

What does this mean? Under paragraph 9 of schedule III, the responsibility clearly lies with the company to establish a manpower plan. The words in the minister's release clearly infer that the government will be involved in the co-ordination of the development of an appropriate manpower training and delivery system. Does this mean that the manpower training and delivery system is the responsibility of only the company, or does this mean that it is only to be done by the company subject to the approval of the government; or does this mean that in addition and complementary to the company's manpower plan the government is accepting responsibility for training Canadian workers so they will be available to fit into the company plan?

The reference in this regard in the minister's release is not consistent with paragraph 9 of schedule III. It raises the very important question of just who is responsible for ensuring that Canadians get the jobs. I want to point out, Mr. Speaker, that the company can, with the best of good will, submit a plan that calls for maximum Canadian content in labour, but if trained Canadians are not available the plan may never be fulfilled.

The only specific mention of Canadian labour content in the material that we have in front of us is in schedule III of the bill where, as I pointed out, the company must supply a detailed manpower plan. It is true, Mr. Speaker, that in the Canada-United States agreement, in paragraph 7, there is a provision that states:

Having regard to the objectives of this agreement, each government will endeavour to ensure the supply of goods and services to the pipeline project will be on generally competitive terms.

It goes on to say:

Elements to be taken into account in weighing competitiveness will include price, reliability, servicing to capacity and delivery schedules.

Assuming for the moment that labour content can be included within the word service, it could be argued that this is a reference to labour content. But even if it is—and this is certainly not clear because the word services is not defined in the bill—this clause in the agreement could actually work against Canadian labour content because, in some circumstances, if foreign labour were more competitive within the

meaning of that term as set out in clause 7, it would result in precluding Canadian labour content rather than including it. It is all very well for the Deputy Prime Minister—I see he is now back in the chamber—to talk about competitiveness. There is no way Canadian labour can compete if this clause is relied on by the government as the basis of Canadian labour content. It does not guarantee Canadian labour content, and may even preclude it.

● (1532)

I know the Deputy Prime Minister will agree with me when I say there is no way in which the agreement can be re-negotiated to obtain a guarantee with regard to Canadian labour content. Apparently the Canadian negotiators assumed this was not necessary on the basis of the confidence of the company that it could employ 90 per cent or more Canadian labour. I want to say to the hon. gentleman that it is devoutly to be hoped that this assumption is correct.

Officials of the pipeline company are confident they can achieve the objective of maximum Canadian labour content. This view is based on their experience of past projects as well as on their experience of training manpower for pipeline construction. Union officials have quietly and unofficially indicated that they believe the major unions involved in pipeline construction will be able to provide a large proportion of the labour required. Again, it is to be hoped that this confidence turns out to be well placed.

What is missing in any discussion of this issue is corroboration by independent government studies of the estimates made by the company and the opinions of certain labour leaders. The Deputy Prime Minister stated in September that the project would create 100,000 man-years of employment in Canada. According to his release of February 3, 1978, entitled "The Northern Pipeline—Facts and Figures", if the company's objective of achieving 90 per cent input of Canadian goods and services in the project in this country, including the Dempster lateral, is realized, the hon. gentleman's earlier estimate of 100,000 man-years would be fulfilled. But this depends on three things. First, that there is in fact a 90 per cent input of Canadian goods and services; second, that the Dempster lateral is, in fact built; and, third, that there is presently available, or will be available by the date on which construction begins, sufficient trained Canadian workers to do the work which is on offer.

The estimates which have been put forward depend on all three assumptions being valid, and in these circumstances the government has an obligation to be completely open with parliament both during the present debate and in the committee hearings. Questions must be asked in addition to those which were asked during the question period today and in the course of the debate last night.

A study has been prepared by the Department of Industry, Trade and Commerce which puts the total number of man-years at 69,078. This is a far cry from the 100,000 man-years the minister has told us will be created. There may be an explanation for this lower figure. Indeed, if the study were