

*Northern Pipeline*

gets under construction and the bids have been made we will indeed have 90 per cent or more of the content and the kind of job creation the minister promised. All we have are those verbal assurances of the minister and the wording that is before us in the legislation.

When we look at the wording in the legislation we see that we do not get absolute and clear guarantees. The legislation prefers to use such words as, and I look at clause 3(f), "to advance national economic and energy interests and to maximize related industrial benefits by ensuring the highest possible degree of Canadian participation". It does not use the words "guaranteeing the highest", it uses the words "ensuring the highest". Anyone who has any kind of elementary education knows the difference between those two words.

That is why we have moved the amendment to replace the word "ensure" with the word "guarantee". We feel this wording gives much more direction to the government and makes it much more difficult for the government to get off the hook and begin to explain away, somewhere down the road, why we are not getting 90 per cent content but only 60 per cent or 70 per cent.

Indeed, Mr. Speaker, when you look at the official announcements of both governments after the treaty was negotiated concerning this pipeline, we remember how the Canadian officials told us that this was the greatest coup Canadian negotiators had made in a long time; we have this great project and we are going to receive tremendous benefits. However, at the same time Dr. Schlesinger, the United States energy minister, was saying that they in the United States had worked out one of the best deals ever. They had arranged the pipeline and the treaty in such a way that they would not get undue hindrance from Canada, and they were also confident they would win a great many of the contracts for the building of the pipeline.

Indeed, when one looks at the preparations American industry is now making, at advertisements in some of the financial journals and interdepartmental reports in the United States, and when we look at the activities of many U.S. pipeline companies, one gets the horrible fear that they believe they have most of the contracts sewn up already. I think, for example, of pipeline contractors who have been able to pick up, at bargain basement prices, the pipeline construction material used for building the Alaska oil pipeline, and how these U.S. contractors now have that equipment in place and are ready to bid on various construction contracts, at great advantage to any Canadian company which has to start buying new machinery at higher prices. We see these things taking place already, and that, coupled with our knowledge of past mistakes, makes us believe we must have some very strong language and very strong clauses in this bill if we are to end up with the majority of the benefits from this great pipeline undertaking.

I know the Deputy Prime Minister is a man of integrity, and when he says we are going to get 90 per cent of the contracts and 100,000 man-years of employment I am sure he quite genuinely believes that is so. I do not argue with that, and we

are expected to take him at his word. However, in my experience here in the House of Commons one politician's word has never been as strong or as binding as an act of parliament, binding on this minister, this government, future ministers and future governments in respect of a certain course of action. Politicians come and go and promises are forgotten, but legislation remains and is to be obeyed. This is why we say the bill as it presently stands is a weak bill, and it is for this reason that we want to move these amendments and hope the House will support us.

We have come across some studies by the federal government which cause us to worry that we are, indeed, going to get 90 per cent of the contracts. It is interesting to note that when this pipeline was first proposed we were told by officials both of Foothills and the National Energy Board that if we were to get the 100,000 man-years of employment, or that kind of maximum job creation, it would mean we were going to get 98 per cent of the content of this pipeline.

We started off with the figure of 98 per cent, and that figure dropped to 90 per cent. That is the figure the Deputy Prime Minister has been using. We do not now hear the 98 per cent figure in respect of Canadian content that we heard when there was competition between this bid and the Mackenzie Valley pipeline bid. This makes us worry a bit.

We then came across an internal study commissioned by the Department of Regional Economic Expansion which stated that unless there were guarantees in the legislation for Canadian content a more realistic projection for Canadian content was not 90 per cent but only 67 per cent. That frightens us. A Canadian government department which has done an analysis taking all factors into consideration has stated in black and white that, unless we have guarantees in the legislation, the more realistic Canadian content figure is only 67 per cent. When you drop down to 67 per cent in content you drop down the number of man-years of employment created. Indeed, unless we get the Dempster lateral or spur line built we will not have the 100,000 man-years of employment but something more like 68,000 man-years. If we drop down to 67 per cent Canadian content we lose some 32,000 man-years of employment, or even more, and we lose all kinds of contracts for the steel industry of Canada.

I come from a community which has Canada's third largest steel producer, Algoma Steel. I know the workers of Algoma will benefit indirectly from the pipeline. They will not be making the pipe at Sault Ste. Marie but they will be providing some of the plate for Stelco, and they will also be picking up some of the slack in other areas of the steel industry. It seems to me that for the sake of the 40,000 steel workers across Canada and the tens of thousands of other workers who depend on the health of the Canadian steel industry, it is not unreasonable that we have some kind of guarantees in this legislation as far as content is concerned.

That is one additional reason for motion No. 1, to put the word "guarantee", in relation to the highest Canadian content, into this legislation. We can then hold the Deputy Prime