

*Appropriation Act. No. 8*

markets. However, determination as to how much and to what degree these sources of supply should be depended upon by our domestic markets, and conversely, to what degree Canada should allow its valuable natural resources to be exported to this country, have become matters of great concern on both sides of the border.

Mr. Chairman, that may have been of great concern to them, but it does not appear to have been of great concern to this government. I think all of us were interested in the original statement made by the Prime Minister and the Chairman of the National Energy Board. That statement was not in keeping with the action this government took in allowing the export of this commodity through Emerson into the new great lakes pipe line, which in the end will mean the storage of gas in the United States and the ability to dispose of surplus gas through the back door from those wells where the surplus will be controlled.

There is another development today. Sessional paper 326 contains the report which was tabled by the Minister of Energy, Mines and Resources. If you read this paper you will find that the heading is "Trans-Canada Pipe Lines", and there are all the other necessary parts of a heading. It appears to be a photostat copy of a letter addressed to the Hon. Jean-Luc Pepin. What does the F.P.C. say? The *Globe and Mail* of November 16, today, indicates that the letters which were produced by Trans-Canada Pipe Lines had no heading and no signature on the facsimile, and that the F.P.C. were not given copies of all the documents requested. If you look at the sessional paper, you will find that neither were we.

The minister said there were a number of telephone calls and private conversations, but the letter from Trans-Canada Pipe Lines, over a signature which is indecipherable—certainly it has no typewritten identification—indicates that the letters were sent by the same signatory on September 15 and 19. These letters were not included. The F.P.C., in its statement, goes on to say that the letter they received had no heading on it, and they want to know what was in the two original letters. So do we. I think it is a disgrace that this government should play with parliament and the people in the manner in which they have played with them. I have no doubt that there were political considerations involved in the development of the decision the government made. I suggest that Trans-Canada Pipe Lines were not necessarily a party to those developments. For one thing, I am told that the President of

[Mr. Peters.]

Algoma Steel Corporation made political overtures to this government which warranted consideration by the government. These overtures were strong enough to have some influence on the decision that was made.

I suggest that another consideration that was involved which will not be indicated in these letters was that Canada, through the Minister of Finance, had decided to export our inflation south of the border. This is a fact, and I am not ashamed of it. I do not think anyone in this country should be opposed to it. If Trans-Canada Pipe Lines has to twin its line in northern Ontario, there will be a large amount of money transferred to northern Ontario. It is a fact that it will be inflationary to a very small number of people who otherwise would not be employed. If that is bad inflation, then we want a lot more of it in northern Ontario. We are aware of the fact also that money will have to be raised to build this pipe line in Canada and it may be easier to find the money in other areas. I have received a document which indicates that many of the shareholders in Trans-Canada Pipe Lines are dummy shareholders and that the shares really are being held by United States interests. So, it may be easier to raise money in the United States.

It may not influence our inflationary trend in Canada if this line is built in the United States, but we really ought to take a look at what Trans-Canada Pipe Lines will mean to Canada. I have heard members from northern Ontario say they have been given assurance by this government that there will be enough gas to meet the requirements of northern Ontario during the foreseeable future. How stupid can those members be? They are living in an area which needs to be developed. This area needs to do more than just maintain its position. They may not know it, but it is a fact that the iron mine in my area is the result not of insufficient gas but of a large surplus of gas. This surplus gas has permitted the company to engage in an operation which allows it to send the iron pellets from Kirkland Lake to Pittsburgh by rail. This movement results from the fact gas was cheap enough in that area. The hon. member for Cochrane should know that the gas situation has caused the pulp and paper industry in the area which he represents to be in serious difficulty right now.