

Adjournment Debate

forth this problem and have it presented here in the House. I think the Liberal Party of Canada should be ashamed of itself that it allowed Foothills Natural Gas Pipeline to expropriate property and provide such a small amount of money for the land it is expropriating. I think it is time that the minister and the people involved got together and solved this problem.

Mr. Roy MacLaren (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, as the hon. member knows, neither the Northern Pipeline Agency nor the National Energy Board, under their respective acts, has any authority regarding compensation for land required for pipeline purposes. I understand, however, that the Northern Pipeline Agency has used its good offices in the past to explain the law as it stands to land owners. In previous instances, the agency has been instrumental in a satisfactory agreement being reached between land owners and the pipeline company. Unfortunately, in spite of their best efforts, officials of the Northern Pipeline Agency did not meet with much success in the case involving the land owners in southern British Columbia.

The company, in the first instance, seeks to reach an agreement by offering a certain sum of money to the land owner. This may be subject to further negotiations. When the pipeline company and the land owner cannot come to an agreement, the company must then act under the provisions of the existing law, which is the National Energy Board Act and the related provisions of the Railway Act. In these circumstances, the compensation paid to the land owner is not arbitrarily determined by the pipeline company. Under the arbitration procedures set out in the Railway Act, the company establishes, through the services of an accredited appraiser, a current market value for the lands required. The land owners may also seek the services of an appraiser. The ultimate decision as to the compensation to be paid is made by a presiding judge of the county or superior court, depending on circumstances.

The hon. member may argue that the expropriation of land under provincial legislation is more satisfactory than under the Railway Act. While the procedures for expropriation differ, there is no evidence to show that one law is more advantageous to either the land owner or to the company than the other in terms of compensation paid. Further, it must be understood that in the case of the Alaska Highway Gas Pipeline, we are dealing with a federally regulated pipeline which is bound by the provisions of the Canada-United States Transit Pipeline Treaty. Under this treaty, compensation for lands taken for pipeline purposes must be paid on a non-discriminatory basis. Further, Foothills cannot be expected to pay a higher compensation than is the prevailing rate in similar circumstances for other pipelines.

● (2225)

The government is well aware of a need to revise the present legislation to deal with all aspects of compensation. It was Senator Olson, then chairman of the Special Committee on the Northern Pipeline, who introduced Bill S-12 in the Senate in 1978. Senator Olson, since becoming the minister responsible for the Northern Pipeline Agency, along with the Minister of Energy, Mines and Resources (Mr. Lalonde) have both expressed their general support for the provisions of this bill. When the legislative timetable permits, the bill will be brought forward for further consideration.

Finally, the Foothills Pipe Lines Company has indicated that if Bill S-12 should be passed into law at some point prior to the completion of the Alaska Highway Gas Pipeline project, it would be prepared to make adjustments which further reflect the new approach provided for under Bill S-12.

Mr. Knowles: What about the minister's promise?

[*Translation*]

Mr. Deputy Speaker: Order, please. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m.

Motion agreed to and the House adjourned at 10.27 p.m.