

*National Energy Board Act (No. 3)*

responsibility of the Parliament of Canada to ensure the freedom of international and interprovincial trade are clear and undisputable.

Second, I want to emphasize once again that those provisions are identical to the ones Parliament has been applying for decades with respect to oil and gas pipelines and if I may say, for the greater good of Quebec, without the government of that province ever raising any objection. The same can be said about the powers the Canadian government has been exercising for more than a century over railway construction. And to come back again to oil and gas pipelines, the companies that build them also abide by the relevant provincial legislation.

Third, those provisions go even further than those that already apply to the pipelines, in two respects. One, they cannot apply to any existing pipeline, and two, they could apply to any future pipeline only after specific designation by the governor in council when the line involves interprovincial transport.

Fourth, the act will in no way affect the Hydro-Quebec network. I want to make that point clear because once again all kinds of irresponsible statements were made when the matter was brought up. The Hydro-Quebec network is not and will not be in any way affected by this provision. The existing and future Hydro-Quebec network is and will remain completely under the jurisdiction of the Quebec government. When the Newfoundland government asked us to legislate in that regard, it asked two things of us: First, to amend the act so that an autonomous power transmission line may be built and second, to take on the responsibility of compelling Hydro-Quebec or any other provincial hydro company to transport any hydro power which Newfoundland, for instance, might generate. We indicated at that time that we were willing to act on the first request which is in keeping with present practices with regard to pipeline construction. Our response to the second request, was first, that we did not think we could have jurisdictional authority over a provincial agency for the transportation of power over its own network and, second, that such a practice could only be successful in so far as the provincial body would be willing to co-operate and that it would be utterly unrealistic to expect the Parliament of Canada to impose such an obligation on a reluctant provincial agency. Consequently, we rejected the second request and went along with the first. This is extremely important and the people of Quebec are reminded that this provision cannot affect the integrity of the Hydro-Quebec network; it constitutes a guarantee for the present and the future.

Fifth, this act can in no way jeopardize the existing contract between Hydro-Quebec and Newfoundland with regard to Churchill Falls. All this controversy now existing between Newfoundland and Quebec as regards the Churchill Falls contract is a civil law affair between the two provinces; the point is whether this contract is valid, whether it can be changed or not, but the bill now before us does not affect it in

any way. The actual dispute between Quebec and Newfoundland in this regard remains unsettled and it will be ruled upon by the courts unless some agreement is reached between the two provinces in the meantime. The purpose of this legislation would be the prospective development of new hydro resources that are not subjected, at the present time, to the contract between Quebec and Newfoundland. Therefore, there is no reason to worry or get excited, because the bill before us does not in the least affect the matter of the existing contract for power transmission between Quebec and Newfoundland.

• (1610)

Sixth, as I said before, these provisions are not specific to those two provinces. They have a wider scope and can apply to any province in Canada; as a matter of fact, these provisions have been brought forward in the House following a request from Calgary Power some time ago in connection with the export of power to the United States through British Columbia.

Seventh, it has been argued that there was a big difference between pipelines and power lines. In particular, I heard it said in Quebec that this difference comes from the fact that power lines were paid for by Hydro-Quebec, by the province, by the provincial taxpayers, and that the federal government has no financial input in the construction of power lines. On the other hand, it is argued that the federal government does contribute to the financing of pipelines. I must say that this argument is groundless for a very simple reason: in most cases, the government of Canada does not contribute any more to the cost of pipeline, designed to carry gas or oil, than to the cost of power lines. We are going to help to a large extent building the Quebec pipeline in order to ensure that Quebecers and Maritimers will get natural gas at the same price as people in Toronto. We have decided to support this proposed natural gas pipeline. However, all the pipelines which have been built throughout Canada were built without any financial contribution from the Canadian government. Once again, this argument does not hold water. It is truly impossible to differentiate between electric power lines and pipelines on the basis of the financial contribution or non-contribution of the Canadian government.

My eighth point is that some have suggested that the situation is different with regard to electricity on the one hand and oil and gas on the other. It is as though electricity has a certain magical quality not to be found in oil or natural gas. It is obvious to any fair-minded observer that electricity is just another of the many forms of energy. In fact, as we all know, in many cases, one type can be substituted for another, for instance to heat buildings and homes, oil, gas or electricity can be used, and all we have here are three different forms of energy which are very common in Canada and which most citizens use at one time or another in their daily lives.

Some seem to be suggesting that because electricity is involved, it is not good enough that the Parliament of Canada