

*Oral Questions***ENERGY**

NEWFOUNDLAND—TRANSMISSION OF HYDROELECTRIC POWER THROUGH QUEBEC

Hon. James A. McGrath (St. John's East): Madam Speaker, earlier this week the Minister of Energy, Mines and Resources met with his Quebec counterpart. My question is for the Prime Minister and it is a "doggone" good one.

Following that meeting, the Minister of Energy indicated that he favoured a reopening of talks between Newfoundland and Quebec with respect to the transmission of Labrador hydroelectric power through Quebec. Yet the government of Quebec placed conditions on the reopening of these talks which are totally unacceptable to Newfoundland. Therefore, my question to the Prime Minister is this: is the government prepared to recognize the constitutional rights of the province of Newfoundland to transmit its hydroelectric power through the province of Quebec, just as western provinces have the right to transmit their gas energy by pipeline through the province of Quebec?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, it has always appeared to me that such a right existed, that it is part of the so-called trade and commerce powers of Canada being one economic country, and that provinces cannot be inhibited from selling their produce in other parts of the country. That is the constitutional doctrine in which I have always believed. But for greater assurance, the hon. member is aware we are proposing amendments to the constitution which will guarantee, as a basic right in a declaration of rights, the free movement of not only people and ideas across provincial borders but goods and services. So this is the constitution as we think it is now, but for greater assurance we are hoping it can be amended in the way he indicated.

Mr. McGrath: Madam Speaker, I am glad to hear the reassurance of the Prime Minister that the present constitution provides the federal government with the power to allow for the building of a corridor through a province for the transmission of hydroelectric power to another province. Therefore, I have a supplementary question.

In view of the fact that talks have broken off, why has the Prime Minister not acted upon the formal requests of the Premier of Newfoundland on April 16, advising him that these talks have broken off, to exercise his authority on behalf of the province of Newfoundland to provide for a corridor through Quebec for the transmission and potential sale of Newfoundland hydroelectric power to customers in New York and Ontario?

Mr. Trudeau: Madam Speaker, I would think that such action would only be possible if Newfoundland had the contract for the sale of its power to some other part of the country, and if Quebec were imposing unreasonable charges in the transfer of that power in the sense that it would constitute some kind of tariff or barrier which would be constitutionally inadmissible. I have had no evidence as yet of either of those two conditions being met.

AGRICULTURE

REQUEST FOR INCREASE IN INITIAL PRICE OF BARLEY

Hon. Don Mazankowski (Vegreville): Madam Speaker, my question is directed to the Minister of Employment and Immigration in his capacity as spokesman for the Minister of Transport who is not in the House today.

I am sure the minister is aware of the actions taken by the Minister of State for the Canadian Wheat Board authorizing the issuance of permits for the importation of feed grains. This has caused some concern to the Western Barley Growers' Association because of the fact the prevailing Canadian Wheat Board initial price for barley is \$1.95 per bushel, while the market price is in the order of \$3 per bushel, thus discouraging deliveries to the Canadian Wheat Board.

Would the minister undertake to recommend to his colleague in the other place the immediate upward adjustment of the initial price of barley, to encourage deliveries from farms and barley held in storage into the system so that these supplies could be met? My understanding is that statistics of the Canadian Wheat Board reveal that there are some 2.5 million tonnes of barley on the farms. This would help alleviate the situation and the hard-pressed financial position of producers.

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, I would be very pleased to communicate that message to the Minister of State for the Canadian Wheat Board. As the hon. member knows, at the present moment the decision by the Wheat Board is to permit barley to be sold out of country elevators at going competitive prices. If there is further upward adjustment, that will be considered by the Wheat Board, and I will make sure the minister responsible knows about it right away.

Mr. Mazankowski: Madam Speaker, I am sure the minister is well aware that many farmers wish to sell to the Canadian Wheat Board. Because of the low initial price vis-à-vis the actual current prevailing price, it discourages these producers from moving. Would the minister impress upon his colleague in the other place the importance of that, particularly now, so that our supplies are in order?

Mr. Axworthy: Madam Speaker, as the hon. member probably knows, this is a matter of ongoing concern to the government. A cabinet committee is meeting constantly to revise and adjust its programs relating to drought conditions in western Canada. At the first opportunity at that meeting I will transmit his concerns to the Minister of State for the Canadian Wheat Board.