

*Appropriation Act No. 8*

up of two items, one of them being vote 15(a) for the Department of Finance, covering contingencies. We are being asked under supplementary estimates A to increase the amount for contingencies under the Department of Finance by \$45 million. The main estimates ask for only \$15 million for contingencies.

During the last few days we have become interested in contingencies. This seems to be a place where you find money that you did not know was there. Is the minister now asking that the \$15 million vote for the year be raised to \$60 million? What are these contingencies, these unforeseen items that have to be covered in this way?

**Mr. Benson:** Mr. Chairman, I would like to indicate that the contingencies vote is burdened with all salary increases during the year, so that the salary increases for civil servants from the time of the original estimates of last year up to the present time and through to March 31 next are put into the contingencies vote. As a matter of fact, next year we are hoping to cut down the necessity of dealing with these contingencies by providing for some anticipated salary increases in the individual votes.

**Mr. Knowles:** Since the minister has referred to items in another year, would it not also be a good idea to take a look at the wording of this contingency item? I do not find anything in the wording that would provide for it to be used as a catch-all. It provides for "unforeseen expenses," and after the experience we have had in the last week or so I suggest the wording and the purpose of the contingency item should be looked at, and perhaps the wording should be redrafted.

**Mr. Benson:** I can assure my hon. friend that the wording of this vote has been carefully scrutinized.

**Mr. Peters:** Mr. Chairman, yesterday I suggested that second reading of the bill be deferred until today, and that produced a very interesting headline in today's *Montreal Gazette*, which is probably in keeping with some of the debate that preceded this stage of the bill. The headline reads "Crisis Supply Debate Peters Out in House." I asked for the debate to take place today because some of the problems, in which we, in northern Ontario, are interested have not been mentioned during the interim supply debate. Among them is the crisis concerning the export of gas and the method by which gas is being exported.

The situation is very fluid and keeps changing. The government has a responsibility to bring to the attention of the Canadian people the whole story behind the recent change in its decision with respect to the second trans-Canada pipe line, particularly in view of requests being made by Mr. White, chairman of the United States Federal Power Commission.

A report in yesterday's *Globe and Mail* read in part as follows:

Noting mounting U.S. concern about increasing Canadian gas exports, Federal Power Commission Chairman Lee C. White yesterday suggested greater efforts at long-range planning should be made between Canada and the United States.

Mr. White, writing in the *Journal of Commerce* of New York, said the United States has to face unresolved policy questions raised by rising imports of Canadian gas.

Further on the article quotes Mr. White as follows:

"The National Energy Board in Canada and the Federal Power Commission in this country must acknowledge the various interests involved in the sale of Canadian gas to United States markets and must seek to assure that the public interest is served, on both sides of the border.

This may involve greater efforts and long-range planning between the two governments. But the entire history of the economic relationships between the two nations promises that the results will be to the benefits of each."

● (3:30 p.m.)

The article continues:

He noted also that the proposal by Trans-Canada Pipe Lines Ltd. to build a link south of the Great Lakes to carry gas for export to the United States—

I should like to pause here in the quotation to say that is not what Trans-Canada Pipe Lines has informed the Canadian government concerning its intention. It is not what the National Energy Board has told the people of Canada. It is not what this government has said Trans-Canada Pipe Lines wanted to do. They have said that the reason for the development of the great lakes part of the trans-Canada pipe line system is to bring gas into southern Ontario at a more economic price to the consumers than is otherwise possible. The head of the Federal Power Commission in the United States, however, states that the purpose in routing the line south of the great lakes is to carry gas for export to the United States and to provide for a further eastern Canadian market. This proposal is being hotly contested before the commission. The article continues:

Imports of gas from Canada in recent years have increased as substantial new reserves have developed relatively close to the United States