

*Summer Recess*

muses in the beautiful wilderness of Cape Breton; whatever the case may be, one thing is as certain as anything in this universe: the call will go out from the Prime Minister (Mr. Trudeau), "Allan MacEachen, get back. We need you." That is why the Minister of Finance is here in the House today, and I am sure that we will hear from him later. I particularly want to hear from him because he was the minister who brought in the original pipeline bill which this government is thoroughly emasculating. I also want to hear what the Minister of Finance wants to say about this government's course of action. What was the original purpose of the bill which the government is now changing so fundamentally?

● (1520)

The hon. member for Winnipeg North Centre (Mr. Knowles) shortly in this debate will devote his whole speech to the illegality of the government's actions. However, I will not dwell on that subject; I will deal with the policy matter. What is the government changing so fundamentally? The original bill, as I said, was to provide a service to our American neighbours. We defended that service. We said that the Americans do indeed have a need for gas, that they indeed have gas in Alaska, and that if we can facilitate the transmission of that gas from Alaska to the United States as good neighbours, then we ought to do so.

An agreement was reached with the United States the central purpose of which was to export gas from Alaska to the United States. That was the principal objective and the overwhelming purpose of the pipeline legislation. I would like to say in passing that the New Democratic Party of Canada was the first party in Canada to propose the all-Canada route. We did so when the Hon. Tommy Douglas was energy critic for this party. We made the suggestion in advance of both the other parties. I do not say that in a boastful manner. I say to my Conservative friends and I just want to make it clear because of our objections which I will outline today, that at one point in terms of the original purpose of the bill we were front and centre in the energy debate in this country on the necessity of getting a feasible and desirable method of transmitting American gas to the American market, from the north to the south.

What were the benefits to Canada? This must also be kept in mind, because they are being completely undermined by the course of action taken by the Government. Canada was to have access, because of the possibility of a spur line, to some five trillion cubic feet of natural gas in our Arctic. That was one of the benefits which the Minister of Finance and some of his colleagues argued for at the time. A second benefit was that the people of Canada—and I am referring to the negotiations which went on with the Americans at the time, and which I remember very vividly—would be able to make swaps if, as it was hypothetically raised, at any point we should decide to export more Canadian gas to the United States.

It was argued by the Liberals at the time that the pipeline, as it was then debated and approved by Parliament, would make it possible for us to swap gas at an equivalent value. If

we sold cheap Canadian gas from the south now, then at some point in the future, and at the equivalent value, when American gas came on stream from Alaska we could take advantage of a commitment to obtain that gas in exchange. That was another potential advantage for Canada if the whole pipeline were built.

The third advantage was jobs for Canadians. Steelworkers in Saskatchewan, Ontario and elsewhere, and construction workers in the provinces directly affected would benefit from the building of the pipeline. If these were the intended benefits for the United States and for Canada, what have we ended up with in terms of what the Liberals are now about to do?

Before I come to that subject I want to say that at all times, up until as recently as a few days ago—and it was confirmed here in the House this afternoon by the Prime Minister—the Liberals said in and out of the House of Commons that there would be no partial pipeline. They never even talked about the export of Canadian gas through that pipeline. They were always insistent that the whole pipeline from the Canadian border in the south to Alaska would have to be built. There would have to be ironclad guarantees.

This position was repeated as recently as December 9 when the Minister of Energy, Mines and Resources (Mr. Lalonde) used the phrase, "We have to have ironclad guarantees". He will become known in history as "old Mr. Ironclad". It merely goes to show just how flexible the meanings of words are to Liberals. Then in the letter of which we received a copy on Friday, which was written on March 12 to President Carter by the Prime Minister and in which he asked for prompt action, he again reasserted the need for guarantees for the whole pipeline. He did not need to spell it out for the American President, but for Canadians the reasons for the guarantee were just as I have indicated; we need the whole pipeline in order to have access to our gas in the north at some point and in order to take advantage of the possibility of swaps of American gas from Alaska if we were to export our gas from the south.

On the same point, the Minister of Energy, Mines and Resources, in the same debate on December 9, made reference to the need for swaps. So the government's position was very clear, or at least it has been up until the last few days. On the one hand ministers wanted the same guarantees on the whole pipeline as we are talking about today, and, on the other hand, they too thought that swaps were essential to any kind of feasible and practical pipeline proposal. Swaps is the second subject on which I will be talking at length and which will be in the motion at the end of my speech.

What are we getting instead, as the result of last Thursday's cabinet order in council decision? First, instead of getting what the law of Canada provided, which was a pipeline to transport American gas to American markets, we are getting a pipeline that is conceptually and entirely different. We are getting a pipeline which is being built only in the southern part of Canada to export Canadian gas to American markets. In addition, this exporting will go on for some 15 years and will