

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, under section 82 of the National Energy Board Act, Parliament has entrusted the National Energy Board with the determination of whether or not there is gas surplus to Canadian needs available for sale and also whether the price is just and reasonable in the public interest of Canada. That decision was made by the National Energy Board at its hearings which lasted many months, and the cabinet ratified the position of that board which has served the public interest for many years very well in this area.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, having had a resumé of the Act, may I ask the minister to answer the question. Did the National Energy Board authorize the construction of the pipeline to take the gas to the United States before the government had authorized the export of the gas to the United States?

Mr. Greene: If the hon. member would familiarize himself with the Act I think it might be helpful to him. The National Energy Board rules on export and the construction of pipelines to facilitate export in their decisions. Then that total decision is brought before the government for ratification or refusal. The government ratified the total decision, with the further injunction by virtue of regulation 11(a) that there be a continuing price review in light of the dynamics of the price structure in the international markets.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask if the two decisions, the decision to construct the pipeline to the Canada-United States border and the decision to allow the export of gas, were made at the same time or whether one was made prior to the other? Was the decision by the board to approve the construction of the line made prior to the decision to allow export of the gas?

Mr. Greene: I will be glad to send a copy of the decision of the National Energy Board to the hon. member so that he can familiarize himself with the facts before he comes out with public statements on the issue.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Greene: Certainly the decision of the board lent itself to both the export of the gas

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and the construction of the pipeline. Some decisions were made by the board and ratified by the government earlier this summer for the construction of completely Canadian pipelines to satisfy Canadian markets, particularly the Ontario market, where the Hearne plant in Toronto will be converted from oil to natural gas as an antipollution measure.

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the minister, since he now has answered in part, how much of the total construction to take the gas to the United States was contained in the construction approval which the minister has just mentioned for the Canadian firms to take gas to the Canadian consumers? Was this construction approved only for gas to be used in Canada or also for part of the gas going to the United States?

Mr. Greene: Mr. Speaker, the approvals that were given earlier in the summer were for purely Canadian consumption of natural gas and to meet Canadian needs. The current decision which has been approved by the cabinet was for both Canadian consumption and for exports.

[Translation]

POLLUTION

MEASURES TO REDUCE MERCURY CONTENT IN JAMES AND HUDSON BAYS

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development.

Is he aware that there is some indication that the waters of James Bay and Hudson Bay are seriously polluted? Would the minister tell us if any action will be taken to suppress the causes of pollution in those waters?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I know that some mercury was found in James Bay and that that has had an adverse effect on fishing. Both federal and provincial officers are trying to identify the causes of pollution. I am told that it may be due to waste matters from pulp and paper mills along the coast of James Bay and all such establishments do not come under federal jurisdiction but under the jurisdiction of the provinces.