

are wrong and you will do it another way". He cannot do that. He has no right. The Hon. Member knows that Mr. Herrington has no right to do that.

I have no right to instruct the National Energy Board on such issues when it is the board independently that must take a decision. We have to accept that. We can be annoyed with the American system and its decision, and I fully agree that we should be annoyed. But we cannot force the United States of America into changing its basic democratic system. It is, by the way, the same as the one we have in Canada.

The Liberal Party will never agree to the Minister of Energy, or the Minister of Communications (Miss MacDonald) phoning CRTC giving them a directive. I have to respect our system. I am doing that as a Minister. The least I can do is accept that my colleague has roughly the same approach in the United States and I must respect him. As far as having a discussion, we agree, but that does not give the Secretary of Energy the right to instruct the judge.

Mr. MacLellan: Madam Speaker, when the Minister of Energy wanted to test and have an examination of the surplus natural gas in Canada he wrote to the National Energy Board asking for hearings and the board held hearings. If the Secretary of Energy's position through the economic regulatory agency in the United States is being usurped, the Minister has a right to do something about it. Do something; at least call the Secretary of Energy, write him a letter. Maybe without a stamp the letter may get to the Secretary anyway, but just do something.

Mr. Masse: Madam Speaker, I am surprised that my hon. colleague forgets that that is exactly what happened. The Americans have announced a review of their tariff in the United States. That issue, we are sure, will be part of their study. So that is already done. We did not have to wait for the Liberal Party to discover that. There will be a board in the United States to review the tariff. It is done.

Mr. Foster: Madam Speaker, would the Minister explain why the Prime Minister (Mr. Mulroney) bothered writing to the President of the United States if he felt that he could not really intervene because it was a judicial decision rather than an administrative or political decision? Why did the Prime Minister happen to write to the President just the day before he went to Red Deer, Alberta, and appeared with the oil rig people? Was it strictly grandstanding or did the Prime Minister hope to be able to intervene in the decision?

From what the Minister said, I take it that the Government disagrees with the United States administration, but is supporting private individuals going before the U.S. judicial system. Does the Government plan to take this matter to the international court because the United States is applying its laws, extraterritorially, into Canada? Is the Minister prepared to do that?

It seems to me that this decision sets a tremendous precedent which could be used in all kinds of other areas, especially

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when the United States regulatory agency is agreeing with the decision while another department is disapproving of it. It seems to me that the Government should not lay down and play dead just because free trade negotiations are going on.

Has the Minister examined with his officials the economic impact and how many jobs this will involve? It occurs to me that the \$400 million is about the same as the investment which the Government plans to give under the Canadian Exploration and Development Incentive Program which the Government suggested might create some 15,000 or 20,000 jobs. Will this decision, if it stands—if the Government does not appeal it or does not have it overturned—cost us 15,000 jobs in that profits will be creamed off which will not be available for exploration and development? Can the Minister respond to those several questions?

[*Translation*]

Mr. Masse: In that question, Madam Speaker, I see at least three sub-questions. First, there is an important distinction to be made between representations and instructions. What the Government did through the Minister of Energy, Mines and Resources, Government officials, even provinces and the Prime Minister and my colleagues, was to make representations, explain the situation. The American system provides for an opportunity to make representations before such a tribunal, in the same way as before the CRTC or the National Energy Board, people can make representations, and the U.S. Administration on behalf of the Canadian Government made a number of representations.

This is the difference between making representations and giving instructions to the legal system, and I believe my hon. colleague in his question recognizes there is a distinction, that we must respect the legal system both in United States and Canada.

Second problem—should the matter be brought before international tribunals? I believe the first step, according to the lawyers in charge of that matter, is first and foremost to bring the case before the American courts. If and when a review and recommendations lead us to believe there are other legal avenues, you can rest assured the Canadian Government will act to support our industry wherever needed. This I can assure my hon. colleague.

Third, the estimated amounts are in the order of \$140-150 million rather than the order you mentioned. Of course, such evaluations are always difficult to make, but it is the evaluation that was made available to us and that will be largely supported by exporters. How many jobs would be lost because of lack of investment resulting from the loss of those \$140 million? I have no figures at the moment. That may happen in some cases. Hopefully, the number of jobs that will be lost as a result of that decision will be kept to a minimum. It may happen—but how many? Certainly not in the orders you referred to, because the initial amount itself is not in the order you mentioned earlier.