

Northern Pipeline

What we feel is necessary is a committee inside of the department or inside of the government service to check on purchases and contracts before they are entered into, to make sure there is no price fixing or violations of the agreement between Canada and the United States. I submit they are two different things. The hon. member for Sault Ste. Marie is perfectly aware of the commitment made by the Deputy Prime Minister. He hopes in this debate that the commitment made in the committee will be given to parliament and that we can be sure we will have that committee.

I heard the hon. member for Yukon saying there is almost an agreement as to what the wording will be. We want that commitment made on the floor of the House of Commons and we want that commitment kept. However, knowing full well that we may get that committee, it does not take the place of this before the fact continuing committee inside the department to deal with this matter.

I submit the argument that another committee is being promised does not touch the question of the procedural admissibility of the motion set out as No. 2. The point Your Honour raised is the question that has to be faced. Does it involve the expenditure of money? As my friend from Sault Ste. Marie pointed out, we do not envisage an outside committee that will cost extra money, but rather a committee within the public service. On that ground, the motion ought to be allowed as procedurally admissible.

Mr. Speaker: On the procedural point, I do not think there is any question about the motivation and the importance of the subject that is dealt with in the particular amendment. However, I am forced to the conclusion that the motion fails on procedural grounds either one way or the other.

The argument is that the committee that is envisaged here, as has been described by the hon. member for Sault Ste. Marie, at least in his mind, a committee only of officials of the minister. If that is so, surely that is a discretion that the minister enjoys without the necessity of having to give it to him in a statute. If it is in fact simply the discretion in the minister who is given by this section the authority to preside over all of these elements that are contained in here, all of which are very important, surely the minister possesses the authority to delegate that to officials on his own staff without having to have it put in the statute, in which case it becomes superfluous.

On the other hand, if it is more than that, if it is authority for the minister to set up some committee outside of his own staff or outside of his own department, it becomes first of all a new concept and in any case would require some expenses. Because if the people are not already on his staff, they have to be paid.

On balance, I have to conclude that this amendment imports into the statute a concept that was not there originally. It seems to raise a very serious problem about the financial recommendation provisions. Despite the argument that has been put forward here this evening, I have to set it aside on those procedural grounds. Therefore, we would begin by call-

[Mr. Knowles (Winnipeg North Centre).]

ing motion No. 1 which would be grouped for discussion with motion No. 11.

[*Translation*]

Mr. Pinard: Mr. Speaker, I have an objection to make concerning the procedure to follow in the case of amendment No. 7. I wonder if it would be preferable to make this objection now or when you call motion No. 7? I can raise my objection now if you wish.

Mr. Speaker: In my opinion, it would be preferable to listen immediately to the objection of the hon. member.

Mr. Pinard: Mr. Speaker, it seems to me that if this motion is to be acceptable, it would need the royal recommendation for the following reasons: The legislation provides for the creation of an agency called the Northern Pipeline Agency. Moreover, the legislation provides that the cost of this agency will be fully payable by the company. However, amendment No. 7 aims at limiting reimbursement of this cost by the company to one per cent, as specifically stated in the motion, that is one per cent of the actual construction costs of the pipeline.

Consequently, the amendment aims at limiting reimbursement by the company of the administration cost of the pipeline. If this cost exceeds one per cent, it will have to be paid by the government or the taxpayers. There has not been any royal recommendation to ask the state to shoulder such an expense.

The nature of our objection, Mr. Speaker, concerns simply the fact that it can happen that the limit set out in the suggested amendment be lower than the actual administration cost of the pipeline, in which case the taxpayers will have to pay the difference and we do not have the necessary royal recommendation. This is the nature of my objection.

● (2032)

[*English*]

Mr. Nielsen: Mr. Speaker, what the hon. member is arguing is a hypothesis. As he knows, there is a similar provision in the United States legislation setting out a formula which places a cap on the expenditures of the government with respect to costs which can be passed on to the builder companies.

What the hon. member is arguing is that the one per cent cost cap might be exceeded. I would point out it is always open to the government or to any member to amend that motion so as to increase the one per cent if the government could show that costs are going to be exceeded. The cost at one per cent would amount to \$40 million over the life of the international agreement. If the case could be proven by debate on the motion that the cost could be kept well below that figure—and we think we can make such a case—then there would be no cost to the Canadian taxpayer, so it would not offend the provisions of our practice with respect to obtaining a Governor General's warrant. So this is open to amendment. For this