

*National Energy Board Act (No. 3)*

also to whatever provincial legislation is applicable. What is proposed in this bill, where it is provided that the same powers be granted for power lines as those already given to the National Energy Board for oil and gas pipelines, is simply that the practice followed, for instance, by TQM in Quebec when building the gas pipeline, as I mentioned earlier, should also apply to an international or interprovincial power line. Once again, what we are proposing is simply a system similar to the one already in place for pipelines, especially as concerns the expropriation or disposal of land. That is the purpose of Clause 12, which simply states that Part V of the National Energy Board Act applies to international power lines. It will also apply to interprovincial power lines designated by the governor in council.

As for the construction of interprovincial lines, the situation at this time is quite different from that which applies to international lines. For the moment, the Board has virtually no jurisdiction in this regard. Clause 30 of the bill now under consideration will change this situation by effectively considering an interprovincial line designated by the governor in council as an international line. In other words, once a power line has been designated, the Board will be empowered to issue or cancel the certificate authorizing construction, to set specific conditions for the certificate, to hold public hearings and to approve the expropriation of land. To summarize, once an interprovincial line has been designated, the provisions concerning international power lines will also apply to this line. The designation of interprovincial power lines seems to have caused difficulties to some people. I would like to make it quite clear that the government will only make a decision concerning such lines after taking into account the interests of the provinces involved and having judged that the national interest requires that these lines be designated. The federal government does not intend to take unilateral action in this regard and, under normal conditions, the government would eventually proceed to designate a line only at the request of one or more than one province. In addition, it is important to note that this power of designation will apply only to future lines, to lines still to be built, and cannot apply to any existing interprovincial power line.

The extension of Part V to international power lines, which I mentioned earlier, has, however, given rise to ridiculous charges. We have been accused of interfering with the powers of certain provincial governments, of wanting to sell out the energy resources of some provinces and of interfering with their territorial integrity. Mr. Speaker, there is no need for me to point out that such accusations are completely false and demagogic. The decision to give the operators of international power lines the same powers and the same duties as those given to pipeline companies was made following a request by an Alberta company, now called TransAlta Utilities and formerly Calgary Power. This company wanted to sell electricity to the United States and to make sure that the construction of the high tension line between Alberta and the neighbouring American states would not meet with any undue

difficulty. We examined the matter carefully and discovered that the federal legislation did not provide the necessary powers to make such sales possible. That trade, Mr. Speaker, as I said, can, on occasion, prove vital for the economy of a region and beneficial to the over-all Canadian trade balance. We simply wanted to establish a principle. These new legislative provisions are not made for or against anybody, be it Alberta, British Columbia, Quebec or Newfoundland. They can apply today in Alberta, tomorrow in Quebec, the day after in British Columbia or Ontario.

• (1550)

Mr. Speaker, it is a well known fact that because of these amendments we have been accused specifically of interference in the Quebec-Newfoundland dispute over the Labrador power transmission. As a member from Quebec, I must state I have been following the debate with much attention, much interest and on a number of occasions with much regret, seeing how some points were being made and how the demagogic approach often prevailed. I would like to take this opportunity on second reading to explain the situation in greater detail to this House and the Canadian people. With regard to the Quebec-Newfoundland dispute, there can be no doubt the soundest solution economically speaking is the transmission of Labrador power southward through the existing Hydro Quebec network. There should be no doubt in anyone's mind about that, either in Quebec, in Newfoundland or anywhere else.

The most sensible, reasonable, intelligent, economical solution is the transmission of the Labrador power through the Hydro-Quebec network. However, the dispute between Quebec and Newfoundland goes far beyond the issue of such possible power transmission. It is an old, deep, very complex problem with major political ramifications provincially, either in Quebec or, perhaps more so, in Newfoundland.

Some aspects of the problem have to do with the transmission of hydroelectric power, namely. Could Newfoundland make sure that its power could be freely transmitted to potential clients other than Quebec? Other aspects involve other debates, other disputes between Newfoundland and Quebec concerning the kilowatt rate of power sold to Quebec, especially under the existing Quebec-Newfoundland agreement dealing with the power generated from the Churchill Falls dam.

Other debates, they deal with the matter of whether or not the Quebec-Newfoundland agreement should be adhered to, or perhaps renegotiated. Finally, a number of other technical and financial questions with far-reaching implications stem in various degrees from that dispute. There is no need to remind this House that the problems between Quebec and Newfoundland have been there for a number of years, nearly a decade; matters have been referred to the courts, certain cases are now