

Northern Pipeline

The minister spoke of setting up a federal-provincial advisory council. On that council will sit one nominee from each of the western provinces plus the pipeline commissioner, but who appoints the Yukon representative to that federal-provincial—not federal-provincial-territorial—advisory council? The cabinet. What voice do the elected representatives of the people of the Yukon have with respect to that appointment? None. I ask the minister, where is the input? We do not consider the Minister of Indian Affairs and Northern Development (Mr. Faulkner) to be very knowledgeable about the social, economic, environmental, educational, and municipal problems this pipeline will cause the Yukon.

My advice to the minister—if he does not follow it, an attempt will be made in the committee to alter that, and there is ample precedent for it—is that the Yukon nominee on that council should be nominated in the same way provincial nominees are nominated, namely, by obtaining the recommendation of the elected members of the Yukon Legislative Assembly. There is precedent for that in the inland northern waters legislation and in other legislation. I need not belabour that point. That is one part of the bill about which we intend to advance suggestions in the committee.

The hon. member for Moose Jaw will be speaking about NCPC. The minister speaks of great benefits to the Yukon. I would like to have his attention once again.

● (1642)

I spoke of the press package. When I look around I see that the office of the pipeline commissioner is listening. Notwithstanding the fact that we have made several inquiries of the office of the pipeline commissioner, of the minister's office, of the pipeline's branch of the Department of Indian Affairs and Northern Development and on the NEB, we have yet to receive the list of commitments made to Foothills when they appeared before that body, with respect to the contents of the bill. We have been informed that there must be a list of commitments somewhere, but it cannot be produced. Surely we should have it at this stage of the debate, and certainly should have it not later than committee stage. I believe those commitments are essential to an intelligent study of the bill.

I should like now to deal with the \$200 million fund. I do not know whether the minister did not understand what he was saying or whether what he was saying was deliberate—but he is wrong. I hope he misunderstood. The recommendation of the Lysyk Inquiry was that a Yukon heritage fund be established with up-front money, similar to that in Alberta. That was negotiated away by the minister in the United States. The fund was intended to recompense the people of the Yukon for the undoubted harmful effects the construction of this line will have on every aspect of their lives. Schools are needed now. There is no point in starting to build them when construction of the pipeline begins. The fund would have meant that the assets of Northern Canada Power Commission could be transferred to a Yukon power commission. We should not repeat the mistakes made by the Aishihik project with overrides of \$36 million on the original estimate of \$11 million.

The minister has negotiated a deal with the United States, which is embodied now in the agreement, whereby we get back-end money—an advance on taxes. The minister speaks of the people of the Yukon using this advance through their government. That is a fiction, since all financial decisions are made by the Minister of Indian Affairs and Northern Development. I do not know why the government continues to abuse Canadian intelligence by trying to create the idea that there is some kind of separate government in the Yukon. Mr. Speaker, it is a colony. The cabinet and the minister govern the affairs of the Yukon from time to time as they see fit.

The minister's press release of September 9 stated that Foothills is obliged to make an advance payment as required between 1978 and 1982 of up to \$200 million which, together with the interest charges, will be offset against the company's future tax liability. The press release assumes that Foothills will be able to raise this money at 10 per cent. In fact, Mr. Speaker, a book is being written now by Francois Bregha who points out that this government could borrow the money at a little over 8 per cent. The difference between approximately 10 per cent and 8 per cent over the retained period of 25 years could mean a loss of \$50 million to Yukoners out of that fund. Not only has the minister thrown away the heritage fund, and the NEB went along with him, but by inept negotiation he has caused that \$200 million to fall to \$150 million.

The Yukon, in the meantime, will have to pay all the bills for schools and for the municipal infrastructures which will have to be put in place long before laying of the pipeline starts in January, 1981. The minister knows that construction, grubbing, clearing, surveying and engineering will have to be done a good year ahead. Foothills estimates that they will begin in 1979, so there is not much time to get these things in place. Where is the money to come from? The government has told the Yukon not to look to the Department of Indian Affairs and Northern Development for it. In effect, it has said not to bother planning schools or municipal facilities because it will not be advancing the money. It encourages them to borrow elsewhere if they can, and in that respect, Mr. Speaker, the deal is very harmful to the Yukon.

I should like to move to something else now. Knowledgeable as he is, my friend, the hon. member for Moose Jaw, may not be familiar with these things and I have not had the opportunity to discuss them with him since I received the bill. First of all, the justice facilities will be seriously taxed by the influx of 2,200 or 2,500 workers. I have written to the Minister of Justice (Mr. Basford) suggesting an increase in the Supreme Court in the north—I should say I am not carving out a sinecure for myself even though I might be favourably considered by this government. There will be great law enforcement problems as a result of this construction.

The minister says it was a good deal that Foothills were required by the agreement to instal feeder lines to supply communities in the Yukon, British Columbia, and elsewhere along the route. Unlike British Columbia and Alberta, the Yukon does not have any utility companies to look after distribution, and I hope the government does not intend to