

● (2200)

I want to thank the hon. member for Winnipeg North Centre (Mr. Knowles) for reserving this place for me in order that I might finish my speech in this debate.

Mr. Knowles: Now may I call it ten o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

NATIONAL ENERGY BOARD—APPLICATION FOR GAS PIPELINE TO NOVA SCOTIA

Hon. Elmer M. MacKay (Central Nova): Mr. Speaker, I am here this evening hoping to receive a further assurance from the Minister of Energy, Mines and Resources (Mr. Lalonde) or the government that it is truly committed to the construction of a natural gas pipeline to eastern Canada. The minister indicated yesterday that he was interested in this matter, and today, in response to a question by my colleague, the hon. member for Fundy-Royal (Mr. Corbett), he said that it was a preferred option.

I want to remind the government of the specific commitment that the Prime Minister (Mr. Trudeau) made in Halifax on January 25, when he spoke to the Board of Trade. Showing his great concern for the maritimes on that occasion, and talking about the necessity of security of supply of energy, the Prime Minister made certain commitments. I will quote from his speech on that occasion—which is a difficult thing for me to do, but under these circumstances I shall even read from his speech, Mr. Speaker. He said:

But in order to switch, people must have access to gas. Nowhere is access needed more than in eastern Canada. I am announcing today, as part of our program, that a Liberal government will take immediate action to ensure the full co-operation of all parties in the construction of a natural gas pipeline to Quebec city and the maritimes. The pipeline will have reversible capacity so that maritimers will have the opportunity, both to use western natural gas now and to send offshore gas to central Canada later. Like the railroad in the 1880s, energy pipelines in the 1980s have the potential to be a steel link uniting the nation.

That was six months ago, Mr. Speaker.

The author, Elridge Cleaver, once said that when you “talk the talk you have to walk the walk”. Much as I should like to see the Prime Minister take a walk, I will settle for him laying some pipe to the maritimes as he promised he would.

There are any number of reasons why the maritimes need a pipeline. We need the security of supply that the Prime Minister mentioned in his commitment; it would provide an additional energy source at lower cost to consumers; employment and general economic benefits which include benefits to an area of Quebec downstream of Quebec City; enable the

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development or production of the gas that might be found off Prince Edward Island and, most important, it would allow the Arctic liquid natural gas to land at Canso which is technically by far the best port for Arctic LNG.

The maritime provinces are heavily dependent on foreign imported oil, not only for home heating and use by industry, but also for thermal power generation. Large quantities of this oil are supplied from the Middle East, where current political tensions could quite easily erupt, resulting in major disruptions in the imported oil supply.

A gas pipeline would go a long way toward improving the security of the energy supply of the maritimes. Within five years it could be supplying 20 per cent or more of the current oil markets for heating, for industries, and for thermal power generation. Major disruptions in oil supply could be alleviated further by facility additions on the pipeline if there is a pipeline in existence.

The consumers in the Atlantic region will benefit from an additional supply of energy which will be priced to be competitive with foreign oil. For example, in Nova Scotia, in the residential market under the marketing strategy of ICG Scotia Gas Limited, gas would be priced 10 per cent lower than oil prices and 75 per cent to 100 per cent of the costs of converting from oil to natural gas would be paid on behalf of the consumer. The competition and lower prices would result in lower energy costs for the consumers in the maritime provinces.

The National Energy Board, in the “Reasons for Decision” in April, 1980, notes that in New Brunswick the population that the pipeline and laterals would reach would be in excess of 310,000 and in Nova Scotia in excess of 385,000. The following is quoted from page 8-51 of the “Reasons for Decision”:

The Board notes Q & M's policies on local employment and local purchasing and believes that these would afford local residents and businesses ample opportunity to benefit from the project. This could represent a significant positive impact for areas such as the maritimes where unemployment poses a serious economic problem. Of particular interest should be the ongoing jobs created in both the transmission and distribution systems.

It is natural for the province of New Brunswick, for example, to have some concern about the environmental impact of this, but the hon. member for Fundy-Royal pointed out today that the province basically supports this pipeline. In my opinion it would be folly for the province of New Brunswick not to support it.

The hon. member for Fundy-Royal also pointed out that the minister of energy, mines and resources stated in this House on December 6 last year that the Atlantic provinces need more natural gas and that the gas pipeline would take gas to homes and industries there. It is very clear that the sponsors will take the initiative, obviously, to ask the NEB to reopen this application. But surely the minister will use his good offices to make this a simple procedure, and not cost millions of dollars, for example, which would be the case if a full-scale hearing had to take place.