

TRADE—(A) CANADA-UNITED STATES NEGOTIATIONS—
NEGOTIATOR'S VIEWS ON WATER EXPORTS (B) GOVERNMENT
POSITION

Mr. Bill Blaikie (Winnipeg—Birds Hill): Mr. Speaker, I want to follow up on the question of the Government's stand with respect to the Grand Canal project, a matter which I have raised in this House on a number of occasions. Most recently I became concerned about the Government's attitude toward the project when I heard the words of the Minister of the Environment (Mr. McMillan) a week ago Sunday on the program *Question Period*. With respect to the question of massive water exports and diversionary schemes like the Grand Canal project, he was asked whether he was fighting these kinds of plans. He said he was fighting them now. I wonder who he is fighting.

The Secretary of State for External Affairs (Mr. Clark) has indicated a number of times—in fact, he has become irritated with me on occasion as he has had to indicate it more than once—that the question of water exports is not on the table in the controversial free trade negotiations. However, the Minister of the Environment indicated that he was fighting to keep them off the table. Who is he fighting? Is the Government's decision not as firm as the Secretary of State for External Affairs indicated to the House on occasion, or is the Minister of the Environment simply trying to make an impression? That was my most recent question.

● (1825)

I have another concern with respect to the Grand Canal project. It involves a dimension of this project that I do not believe has received enough attention. It coincides with another long-standing interest of mine in the House dealing with the whole question of nuclear energy.

I wonder how many Canadians are aware that this Grand Canal scheme to move water uphill from James Bay to the upper Great Lakes would require 10,000 megawatts of electrical power for the pumps, according to the originator, Mr. Tom Kierans. That demand for power equals half of the demand of the Province of Ontario at peak hours.

Let me illustrate what is involved with this project. In order to supply 10,000 megawatts, it requires approximately 12,500 megawatts of generating capacity, which is more than that required for the entire James Bay project. It appears that the originators of this project contemplate supplying this power through nuclear powered generation.

Indeed, AECL indicated in an article in the *Ottawa Citizen* on Tuesday, January 14, that it is studying a proposal that calls for the use of nuclear powered pumps to lift water from James Bay for export to the United States. Of course, I am not surprised that AECL is in cahoots with the Grand Canal project originators. AECL is always looking for a reason to justify its nuclear reactor program, and I am not surprised they would see this as a great opportunity.

Adjournment Debate

Let us be clear about this. According to a researcher at Energy Probe, the proposal would require 17 Bruce-sized nuclear reactors. The scheme would also require a major transmission system that would be a megaproject in itself. In almost every respect, this Grand Canal project should be regarded as it was a number of years ago—an environmental Frankenstein. I believe that is an appropriate description. Until recently it has been regarded as an idea held by kooks. Now it has been given a sense of credibility by the Prime Minister (Mr. Mulroney), the new Premier of Quebec and others who I believe have the responsibility of saying that this is not an option. Instead, a grant under the auspices of the NRC has been given to a group to study the feasibility of this project. Indeed, it is the very group that is interested in carrying out this project. Rather than an independent objective study, the money is going to the very people whose objectivity is suspect in this regard.

I am very concerned that the Government has been ambiguous in saying that this matter is not on the free trade negotiating table. I have given the Prime Minister and the Government a number of opportunities to say that it is against this proposal and that it is not part and parcel of any future Conservative Government policy for Canada.

This is an opportunity for the Government to say so. Perhaps it would help if I pointed out that this project is backed by a lot of high powered Liberals, both in the private and public sector. Perhaps, for no other reason than partisan concern, the Government might be more suspect of this proposal than it has been to date.

Surely, when it comes to a proposal that has such alarming environmental and economic consequences, the Government has an obligation to be honest with the people of Canada and state its real attitude toward this project.

[*Translation*]

Mrs. Gabrielle Bertrand (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, in recent months a number of attempts have been made to link the issue of massive water exports by means of river deviations, with the Canada-U.S. trade talks. Many a time the Government has emphasized its position on the matter. As early as September 30, 1985, when the federal water enquiry commission published its report, the so-called Pearse Commission, the Minister of Environment (Mr. McMillan) indicated he saw no relation between water exports and free trade.

Mr. Speaker, I hope you will please let me have a minute to conclude, because I think the issue raised by the Hon. Member is important.

Since then, the Government has repeated that the Canada-U.S. trade negotiations would deal with nothing else but trade and were not aimed at relinquishing any part of Canada's sovereignty on our own natural resources. The Government of Canada has received no representations from any American state or federal Agency on the issue of water exports, and neither does it expect to raise that issue in the context of the