

**Mr. Trudeau:** Madam Speaker, I just answered in the affirmative. The hon. member said that he is wary of gifts. Why does he ask me, if he does not want to be given this assurance?

**Some hon. Members:** Hear, hear!

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### NORTHERN PIPELINES

#### ALASKA GAS PIPELINE—FINANCIAL GUARANTEES FOR CONSTRUCTION OF TOTAL LINE

**Mr. Edward Broadbent (Oshawa):** Madam Speaker, I have a question for the Prime Minister. The language of the Northern Pipeline Act passed by Parliament two years ago, which I read out yesterday, is unambiguously clear where it says that the financing of the whole pipeline must be provided before commencement of the pipeline.

“Pipeline”, I repeat, is defined as being a pipeline from Alaska to the American border. Does the Prime Minister now agree that before we proceed in Canada with what has been described as the pre-build, a total guarantee must be obtained for the financing of the whole pipeline?

**Right Hon. P. E. Trudeau (Prime Minister):** Madam Speaker, in fact that is what condition 12 indicates, condition 12 of schedule III, I believe it is. That is what it says. But the act also permits condition 12 to be amended, provided the financing is assured for that particular part of the pipeline which is to be built, and provided that the government is satisfied the financing of the remainder of the pipeline can be obtained. That is what the act says, and those are the conditions under which the government is acting.

**An hon. Member:** The NDP invented that.

**Mr. Broadbent:** Madam Speaker, the act is very clear, that “pipeline” is defined as being a pipeline from the southern 48 states through Canada to Alaska. That is what the act says. That is the kind of guarantee which must be obtained under the act before one can proceed with the building of any part. There is no doubt about that.

Last March, the Prime Minister said that the American administration told the Canadian government that we would be “damn fools” if we went ahead with the pre-build without 100 per cent guarantees in place for the entire pipeline. Since the Prime Minister agreed with that at the time, as the Minister of Energy, Mines and Resources since then has said that we need ironclad guarantees—

**An hon. Member:** Old ironclad.

**Mr. Broadbent:**—and since only 2 per cent of the financing has now been guaranteed, why is the Prime Minister even considering an option which the Americans themselves have described as a “damn fool” option for Canada?

### Oral Questions

**Mr. Trudeau:** Madam Speaker, as I answered in the House a few days ago, we in the government must be of the opinion and of the assurance that the whole pipeline can be financed. Otherwise, indeed we would be “damn fools” to authorize a part of that pipeline. That is why I say there is a value judgment to know whether the guarantees we have are strong enough; whether they are 100 per cent; whether they are ironclad or not. That is the judgment we must make, and that is the judgment cabinet will be making.

**Mr. Broadbent:** Madam Speaker, obviously we have “Mr. Flexible” as Prime Minister in terms of interpretation of the law. The law asserts very clearly that the guarantees must be in place, not can be put in place.

Some two years ago the Minister of Finance, who was then responsible for introducing the pipeline bill, said that one of the few reasons it was important to Canadians was that it would make it possible at some point in the future for Canadians in the south to have access to some five trillion cubic feet of gas in the Canadian Arctic.

Would the Prime Minister not agree that unless we obtain ironclad guarantees for the whole pipeline, Canadians in the south may never have access to our natural gas in the north, which we need?

● (1430)

**Mr. Trudeau:** No, Madam Speaker, I do not agree with that. When the hon. member referred to the law, I referred him to condition 12, section 3, which does say what the hon. member says it says. But the law also says that under section 20(4) of the act that condition can be amended by the governor in council authorizing a decision by the National Energy Board. That is what the law says; that is what the law of this Parliament says. This is what we have to decide as a government: shall we authorize the amendment of condition 12, or not?

We are saying we will only authorize that if we are assured that the whole pipeline will be built. That, I repeat, is the value judgment. What is the nature of those assurances? That is exactly what this government is examining. I am sure that is what the people of the country are examining. As the hon. member knows, the United Steel Workers of America are very much in support of this pre-build.

**Some hon. Members:** Hear, hear!

**Mr. Trudeau:** The government and the people of Alberta are very much in support of it—

**Mr. Crosbie:** And the “ironclad” workers.

**Mr. Trudeau:**—and those who have discovered gas and want to sell it are very much in support of this.

**Mr. Crosbie:** And the makers of “ironclad”.

**Mr. Trudeau:** All these people who are interested in jobs for the workers and in further exploration for the benefit of Canadians are saying to us, “Look; will you study this serious-