

The national energy policy plan announced by President Reagan this week reaffirms the U.S. commitment to further deregulation of U.S. natural gas prices, increasing the competitive pressures on Canadian gas exporters who are selling only 40 per cent of their contracted volumes. Since it is the Liberal Cabinet which sets gas export prices, and since the single border price for Canadian gas exports is too expensive for our American customers, is the Minister prepared to reduce the price charged for our gas exports? Or is he prepared to see us lose this market to our competitors?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I am well aware of the problem. Twice this year I have adjusted prices. I reduce it in the first instance and gave an incentive price for new quantities of natural gas in the American market later on. These decisions were taken in consultation with the industry and the producing Provinces, Alberta and British Columbia. We are holding discussions at this time, and the view being expressed by the provincial Governments and myself on this problem is that there is no need to move at this time. We are watching the situation very carefully, in consultation with the industry and the Provinces.

I have to tell the Hon. Member that the U.S. market is complicated at this time and some politicians in Washington are trying to blame Canadians for high prices, but we provide only 5 per cent of the natural gas used in the American market. We are just a marginal supplier, and at this time there is no need for a further move. If there is, I will do that in consultation with the producing Provinces.

Miss Carney: Madam Speaker, I remind the Minister of the comment made publicly by the president of TransCanada PipeLines who says this Government is neither technically nor psychologically competent to set the price of gas.

PRICE CHARGED TO U.S. CUSTOMERS

Miss Pat Carney (Vancouver Centre): Since contracts are now being negotiated between Canadian suppliers and U.S. gas companies at rates less than Canadian domestic gas prices, and since this would violate existing pricing regulations, does the Minister intend to allow Americans to buy our gas for less than what Canadians pay?

Hon. Jean Chrétien (Minister of Energy, Mines and Resources): Madam Speaker, I think the comment the Hon. Member made is in fact a bad reflection on the Alberta Government which has supported me in all the activities I have initiated in that field. If we are not competent, I guess the Alberta Government is even less competent because it has been perhaps less flexible than I have been on that score. I think it is a hypothetical question at this time. When we decide to change the price we will see if it will be lower for the Americans than Canadians. But I do not think there is a great desire in Canada at this time to see Canadian gas sold in the American market cheaper than in the Canadian market.

Oral Questions

RAILWAYS

MINISTER'S STATEMENT ON RAILWAY LANDS IN TORONTO

Mr. John Gamble (York North): Madam Speaker, my question is directed to the Minister of Employment and Immigration who, while freely dispensing from the pork barrel in Toronto this week, indicated that among the projects to receive federal funding were construction projects, in particular those related to the development of the railway lands. By that I suppose he is talking about the relocation of the rail lines leading into and out of metropolitan Toronto, which is the subject matter of a study by the Railway Committee of the CTC. Is the Minister now telling us that, prior to the conclusion of that study, he wishes to relocate those lines to the north, into the region which is now the electoral district of York North?

Hon. John Roberts (Minister of Employment and Immigration): No, Madam Speaker, I am not saying that. What I would say to the hon. gentleman is that the Liberal Members from the City of Toronto are very much interested in the proposals brought forward by the Mayor of Toronto for the development of the railway lands along the waterfront. This is a project which we are following with considerable interest, and we hope to work closely with the municipal officials, particularly Mayor Eggleton, in realizing that project.

TRANSPORTATION OF DANGEROUS GOODS

Mr. John Gamble (York North): Madam Speaker, if indeed these rail lines are moved from their present area in metropolitan Toronto, and if the Minister who, of course comes from that region, will look at the matter very carefully, it will be obvious there is no other place to locate them except where the preliminary report of the Railway Committee indicates, that is, through the riding of York North.

Having regard to the fact that the preliminary report dealt with the transportation of dangerous goods and the consequential effect upon people in the entire metropolitan Toronto area, will the Minister now realize that the transportation of dangerous goods across the northern part of metropolitan Toronto, given prevailing winds, will have a devastating effect in the event there is an accident, not only on my riding of York North but on the entire area to the South, which is metropolitan Toronto?

Hon. John Roberts (Minister of Employment and Immigration): Madam Speaker, I will certainly pass on to the proper authorities the representations of the hon. gentleman that the rail lines be moved into his constituency.

Mr. Gamble: Very funny.