

Interim Supply

were very concerned about this matter. One of the things that caused concern was a letter which members of the delegation received from the Prime Minister's office which stated, among other things, that the government's decision of October 4 was dictated by Trans-Canada Pipe Lines Limited. I am quoting the letter when I say this.

Mr. Pepin: What letter is that?

Mr. Martin (Timmins): This is a letter from the office of the Prime Minister dated October 18, 1966, addressed to Mr. McMillan, president of the Fort William-Port Arthur and District Labour Council, 125 Finlayson street, Fort William. The letter was signed by Robert H. Bélanger, secretary to the Prime Minister. Perhaps I should put the whole of the letter on the record, in view of the fact that I have referred to it:

Dear Mr. McMillan:

The Prime Minister has asked me to acknowledge receipt of your letter of October 12th, concerning the Great Lakes project of Trans-Canada Pipe Lines Limited.

The government's decision of October 4th was dictated by Trans-Canada Pipe Lines Limited, providing certain undertakings which had not been included in their original application and which would have enabled the government to arrive at a different conclusion had this information been available initially.

The first two lines of that paragraph are very clear, but I do not know what the rest of it means. The letter goes on:

The government's position is still that the main line for the supply of western Canadian gas to eastern Canada should be in Canada and that whatever steps may be necessary to maintain that situation will be taken.

Mr. Pepin: Mr. Chairman, I think the hon. member, who is making a great point of not using up the time of the house, should have been able to understand that there must have been a mistake in that letter. The word, "dictated" was wrongly dictated.

Mr. Martin (Timmins): I am very pleased that the minister agrees with me. We maintain that this has been a mistake right from the start, and it is still a mistake. Let us hope the government will correct this mistake before it is too late. Another question to which we should like to receive an answer is one that I raised, I believe a week ago last Friday, concerning an application made by Great Lakes Pipe Lines Limited—I believe that is their title—which is a subsidiary of Trans-Canada Pipe Lines and is, in fact, 50 per cent owned by that company. They made

an application to the Federal Power Commission in the United States which is dealt with in a news story appearing in the *Ottawa Citizen* of November 3. The headline of this news story is, "Trans-Canada makes bid for quick approval of \$200 million pipe Line". The article reads:

Trans-Canada Pipe Lines has made a bid here for quick approval, without further hearings, of its plan to build a \$200 million pipe line through the northern United States.

I will not read the whole article but only the significant parts of it. The significant part is in quotation marks and reads:

Great Lakes—the U.S. sponsor of the thousand-mile pipe line, argues that the agreement and other documents—

That is the agreement signed by the government and Trans-Canada Pipe Lines.

—"in no way alter the original proposal which the F.P.C. has had under consideration since last April."

This is in direct contrast to what the minister and the Prime Minister have been telling us in this house. They have stated that the reason they changed their minds between August 25 and October 4 was that Trans-Canada came along with a brand new deal; this is why they did an about flip on this matter.

Mr. Pepin: That is not right.

Mr. Martin (Timmins): However, Mr. Chairman, the subsidiary company, acting on behalf of Trans-Canada, made application to the United States Federal Power Commission and asked for quick approval before any further hearings were held. The company said that the present proposal would in no way alter the original proposal which the F.P.C. had had before it since last April.

● (5.30 p.m.)

Mr. Pepin: Would the hon. member like an answer to this question now?

Mr. Martin (Timmins): I should like an answer to this question at any time.

Mr. Pepin: The explanation is very simple. The presentation made by Trans-Canada Pipe Lines to the United States covers only the first five years. As a matter of fact, there is no change in the first five years and the company is right in saying so before the Federal Power Commission. The first five years are exactly the same, and the presentation is identical to the one first introduced before the Federal Power Commission and the National Energy