

Power Lines

ever, that is quite a minor point. I would say, though, that this was the only point of interest in the documents handed to me, illustrating that the involvement of the federal government in these hydro lines and the potential they afford for the export of electricity is not particularly great.

It is of interest that in 1975 the then minister of energy, mines and resources stated there had been no discussions between his ministry and Hydro-Quebec concerning the export of electricity to the United States and that the only federal involvement would be the regulatory approval by the National Energy Board of the agreement between Hydro-Quebec and the power authority of the state of New York. Thus the ministry of energy, mines and resources took no interest at that time in the amount of electricity to be exported or its impact on the domestic need for energy.

It is also interesting to note that hydro generation in the province of Newfoundland, by virtue of the generation at Churchill Falls, approaches that of the province of Ontario and exceeds that of British Columbia. Approximately 84 per cent of Newfoundland's production is supplied to the province of Quebec. Power from the generating station at Churchill Falls is transmitted at 735 kilovolts to make the journey of more than 700 miles to Montreal and other cities in Quebec. A comparison of Churchill Falls and LG-2, at La Grande in Quebec, indicates a plant capacity of the former of 5,225 megawatts and of the latter, 5,328 megawatts, essentially similar capacity.

● (1710)

As a cheap source of energy, the abundant hydroelectric resources at Churchill Falls, Labrador, should be able to attract both industry and export income to Newfoundland. But at the moment, the province is locked into an agreement allowing Hydro-Quebec to buy most of the electricity generated at Churchill Falls at fixed prices over a very long period of time.

The explosion of world energy prices since the contract was negotiated has given Quebec an unexpected windfall gain on electricity produced in Newfoundland—greater in total than the equalization payments and unemployment insurance benefits Newfoundland receives as a have-not province.

A study carried out by the Economic Council of Canada indicates that profits accruing to Hydro-Quebec from the increase in the price at which electricity is sold and the fixed price paid to Newfoundland for power from Churchill Falls exceeded \$600 million last year. The province of Newfoundland estimates that figure at more than \$700 million. But it is not just Newfoundland that pays the price. The federal government also loses out because of the amount it must pay to that province from the equalization program, a sum of \$334 million last year, and for the other costs of a "have not" province such as increased unemployment insurance payments. These two items together total more than half the total budget of the province.

The president of the Economic Council of Canada estimates that if the price of the electricity transmitted from Churchill

Falls to Quebec were calculated on the basis of the world price for oil, its value would exceed \$1 billion.

Thus we are faced with a situation where electricity is sold at a low price by one province to another. In turn, that receiving province sells electricity to the United States. Meantime, in the Atlantic provinces much of their electric needs is being generated by using imported oil paid for at world prices.

I thought it important to air this subject today. That is why I requested the document. I feel it would be preferable for the government in matters of interest such as those I discussed in the last few weeks regarding the grain transportation and today concerning hydroelectric lines and the sale of electricity to the United States to make these documents available to the public in both official languages. Because of that omission, I am pleased to have this opportunity to raise this subject in debate this afternoon.

Mr. Howard Crosby (Halifax West): Mr. Speaker, I want to intervene very briefly in this debate to lend some support to the hon. member for Vaudreuil (Mr. Herbert) and support not only the nature of his motion and the fact he has brought this subject to the attention of the House, but the remarks he made on the matter of an adequate and versatile hydro transmission system in eastern Canada.

First, let me speak to the nature of his motion. Something that impresses me in Parliament and elsewhere is that information becomes the lifeblood of social and technical progress. Without information we cannot pursue those aims and objectives that we legitimately should pursue as members of Parliament. When the member comes to this House seeking information and that information is withheld, the administration is striking at the lifeblood of a member of Parliament. The fact the member has taken an interest in this area and has gained knowledge of the ramifications and the problems involved in a hydro transmission system indicates the extensive nature of his investigations and his knowledgeable background of these matters. With great intellectual honesty he comes with this request.

What is at the heart of all these requests for information is the basic principle of freedom of information in government. It ought to be the right of not only members of Parliament, but other people interested in public affairs to request and obtain information which they need to pursue matters they think are important. This is typical of the kind of problem which arises when, because of restrictions on the free flow of information, one is hampered in pursuing a lawful inquiry. A great many of the problems in this area could and should be resolved by proper freedom of information legislation. We all look forward to consideration of the bill now before the House respecting freedom of information.

With regard to the substance of the matter which the hon. member raised, that of a hydroelectric transmission system in eastern Canada, the hon. member honestly points out the advantages the province of Quebec has gained from a transaction with the province of Newfoundland related specifically to the transmission of hydroelectric power. These are the sorts of