

Oil Pollution

Mr. Nielsen: Who the hell are you?

Mr. Macdonald (Rosedale): In my letter to Secretary Morton of May 4 this year, I said:

I found most useful my meeting with you in your office in Washington on March 30 last, and appreciate greatly your courtesy in discussing with me certain aspects of the interesting decision you have under consideration in connection with an application for a permit to construct an oil pipeline in Alaska.

At the time of our conversation, you suggested that you would like to have more insights and information into the Canadian interest in having such an oil pipeline constructed through Canada from Prudhoe Bay.

In four pages, the letter goes on to cite in detail the arguments in favour in moving the oil down through the Mackenzie Valley rather than through Alaskan waters. The document has been made public, but of course one cannot make documents like that public for the hon. member for Calgary North (Mr. Woolliams) because he is too idle to do his homework on these important questions.

Mr. Speaker, the hon. member has said that the government has done no feasibility studies. I pointed out by a document laid before this House, and it must have been available to the hon. member, that there has been an expenditure of \$15 million over the last three years for defining the problems involved in building a Mackenzie Valley pipeline and for the purpose—

Mr. Woolliams: Would the hon. minister permit a question?

Mr. Macdonald (Rosedale): By all means.

Mr. Woolliams: I have listened to the argument and—

Mr. Macdonald (Rosedale): Ask your question.

Mr. Woolliams: I will ask my question if you will be patient. Have you then concluded, and have you reached a decision or made an agreement with the United States government that TAPS in fact will not be built, that the crude petroleum and natural gas will be carried by pipeline down the Mackenzie Delta? Answer that question.

Mr. Macdonald (Rosedale): Of course there is no agreement because the American administration has decided that they are going to move American oil through American territory and international waters down to the American markets. The hon. member, who is supposed to be a lawyer, should know that there is no legal action that the government of Canada can take to prevent that.

Mr. Nielsen: The government has not decided that, industry has. The government gave a permit.

Mr. Macdonald (Rosedale): If Secretary Morton is not the government, who is?

Mr. Nielsen: All he did was issue the permit; industry moves it.

Mr. Macdonald (Rosedale): He issued the permit to build the line. The hon. member knows better than that. The hon. member for Calgary North has suggested that our position has not been made clear to the United States government. I pointed out that repeatedly in personal

[Mr. Macdonald (Rosedale).]

meetings between various members of this government and members of the American administration, and in aides memoire placed before that government and, as long ago as 1968 within a month of the time that the Prudhoe Bay field was disclosed to the public, representatives of this government already proposed the Mackenzie route as a favourable one for bringing the oil to market. It seems to me that little more need be said about the contribution of the hon. member for Calgary North in this debate.

• (1500)

Several points raised by the hon. member for York South (Mr. Lewis) require a reply. The hon. member said, raising the same rather incredible proposition put forward by the hon. member for Calgary North, that in some way we should get inside the American jurisdiction and the Canadian government should prevent that government from making a decision with regard to oil coming from within its territory and going to its markets.

The hon. member for York South said—and I appreciate his courtesy in indicating why he would not be present when I spoke—that we should have protested the construction of refining facilities in Puget Sound at the time they came into being. Mr. Speaker, the refining facilities in Puget Sound have been in operation at least since 1961. Ninety per cent of the oil used in those refining facilities in use comes not from overseas but is Canadian oil, Alberta oil that travels via the Trans-Mountain pipeline overland from Canada. The hon. member is really suggesting that the government of Canada should have protested the construction of oil refineries in Puget Sound built expressly to take advantage of hydrocarbons coming from Alberta. I can say one thing for the hon. member for Calgary North; at least that is one objection he did not raise.

Mr. Woolliams: I thank the minister for his generosity.

Mr. Macdonald (Rosedale): I should like to take this opportunity to repeat an offer I made in the House of Commons on April 19, 1972, as reported at page 1440 of *Hansard*—the offer was repeated, as I have indicated, to the United States government—namely, that we are prepared to put the United States in the position, with regard to the Puget Sound refineries, where not one ounce of oil need be brought by seaborne traffic to those refineries. Once they had established oil supplies which would come via the Trans-Mountain route and provided the oil requirements of those refineries, there would be no need to bring seaborne oil into that area. We are prepared to make that undertaking. We hope the United States government, which of course will have to seek and obtain approval of the courts with respect to these proposals, will take advantage of that offer and will meet the particular problem we face by using Canadian oil that is available via overland routes, thereby making it unnecessary for oil to be brought by sea which is the problem involved in this debate.

The government of Canada in the last four years has been active in this area. Commencing, as I said, immediately with the discovery of Prudhoe Bay oil, the government has indicated to American companies Canada's will-