

*Natural Gas Supplies*

to reduce its dependence on overseas supplies of oil. We have offered over \$300 million to the province of Newfoundland to connect to that province the additional hydroelectric resources on the Lower Churchill. I remind the hon. member of the provisions made by the federal government for coal exploration programs with Saskatchewan; the provisions to be made by the Government of Canada through Petro-Canada for the Syncrude project, which project from time to time has the support of the hon. gentleman opposite.

I would remind him, also, of the provisions which have been made by the federal government, in particular, in approaching the six eastern provincial governments in Canada to suggest that they get together within their jurisdiction to form an eastern Canadian grid so that they can have an effective and economic interchange of energy throughout eastern Canada. We will be continuing that effort. We recognize that certain provincial governments reject the notion of the federal government taking an initiative in this regard. We will, however, keep pressing them to seek conservation through these measures.

Finally, I regret that the hon. member for Cumberland-Colchester North (Mr. Coates) is not here. Significant discussions are now under way between the Government of Canada and the two Bay of Fundy provinces for the purpose of putting on stream Bay of Fundy tidal power.

**Mr. Turner (Ottawa-Carleton):** Thank you very much for that question, Jed.

**Mr. Baldwin:** On a point of order, Mr. Speaker, Your Honour was right; I apologize for asking the question and wasting the time of the House with the frivolous answer we received.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, I wish to ask the minister a short question. Acknowledging the difficulty about cutting off exports to the United States in one stroke, but also realizing that the Americans will have to adjust to our difficulties just as our own consumers will, has the minister any time-frame within which exports of natural gas to the United States will be phased out in the same manner as has already been done with respect to oil exports? Is there such a time-frame? Will the minister be able to announce that today, or will he announce what that phased-out reduction of exports will be?

**Mr. Macdonald (Rosedale):** As the hon. gentleman will have noted, the National Energy Board, unlike the situation in the oil report, did not suggest a time-frame for this and I think it will have to be a matter of discussion with the board and between the Government of Canada and the Government of the United States. It is entirely possible that in relation at least to some of the users of Canadian gas, they can find alternative sources at an earlier date than in the case of others, so that the reduction in exports may vary from user to user and from one part of the country to the other. But there is not a distinct time-frame. I do not think we will be able to set one out until after we have had full discussion with both the producing side in Canada and the United States.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Is it the intention to send the report of the National Energy Board to the Standing Committee on National Resources and Public Works? Can the minister assure the House that no action will be taken with respect to a decision on the Mackenzie Valley pipeline until that committee has had an opportunity to review the matter and report back to the House, and the House has had an opportunity to discuss the whole question?

● (1550)

**Mr. Macdonald (Rosedale):** Mr. Speaker, I would be quite happy to do that, perhaps even by expanding the present reference that the committee has to discuss the question of northern gas and oil supplies. With regard to the question of whether the committee will be able to complete its studies before any decision is taken on the Mackenzie Valley pipeline application, I cannot of course, be sure of the time-frame that either the board or Mr. Justice Berger will be following in completing their work. I anticipate that the committee could report long, well and full before either of those two bodies has submitted its final report. In that case, I think there would be no problem in the committee having the opportunity of full consideration and giving a balanced judgment before the regulatory decision is submitted to the government.

**Mr. Malone:** Mr. Speaker, the news brought to us by the minister is distressing. I should like to ask him whether there will be any special efforts of policies or plans with respect to nitrogen fertilizer, which is a derivative of natural gas. I ask that question in light of the World Food Conference concern. We need not document the need for food in the world, but in light of the high protein food developed in the initiation of the green revolution, we know that we are now running 3.8 billion tons short in the supply of nitrogen fertilizer. In light of the news brought today, perhaps the minister could comment on any special programs to give this country and the world some protection in respect of the supply and cost of nitrogen fertilizer.

**Mr. Macdonald (Rosedale):** Mr. Speaker, ammonia plants in particular, as the basis for hydrogenous fertilizer, would be one of the questions to be discussed with the province of Alberta within the context of its industrial plans. The consideration that the hon. gentleman has referred to will be, I think, an important one in that particular discussion.

**Mr. Malone:** A supplementary question. I appreciate that response. It seems to me, however, that that can only give guarantee to the Canadian supply situation. If we are to have any regard for the World Food Conference concerns or policy thrusts, there needs to be an international type of concern at this time. Certainly, the whole world fertilizer supply is tremendously short as compared to even three years ago. It is less than a 50 per cent supply related to that time-frame.