

Inquiries of the Ministry

Because of the threatened embargo by the oil-producing nations and bearing in mind the limited oil reserves which according to some experts would barely provide for our domestic consumption for a period of 16 days, would the Acting Prime Minister tell us whether the government is considering a speedier delivery of oil from Western Canada to our Eastern areas by sponsoring the building of a pipeline or by providing some other means of transportation?

[English]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, this gives me an opportunity to correct a story that has appeared in the newspapers that may have caused some alarm. There are very much larger reserves of oil in Canada than those mentioned in the newspaper report referred to by the hon. member.

Mr. Harkness: Where?

[Translation]

Mr. Laprise: Mr. Speaker, I have a supplementary question.

Would the Acting Prime Minister inform the House whether the government intends to ask impartial and independent experts to make an investigation or a study of the economic value of a Trans-Canadian pipeline?

[English]

Mr. Sharp: No, Mr. Speaker. The question of constructing a pipeline is, as the House knows, an active one and has been for some time, but so far there has been no application for the building of a pipeline, which would be the normal course of events.

May I add to the answer I gave to the previous question, in order to give some reassurance in the present circumstances. There should be somewhat over 60 days supply of product available for the eastern Canadian market at the present time.

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, has the minister, on behalf of the Canadian government, had any discussions with the United States government with respect to any contingency arrangements to supply United States oil to eastern Canada if there should be an embargo?

Mr. Sharp: Mr. Speaker, I think this is a hypothetical question. We had some discussions when the ministers and secretaries were gathered in Ottawa on the general situation. At the moment we see no reason for any emergency meetings to deal with this hypothetical situation. It is still our hope that there will be no emergency whatever.

SUGGESTED FEASIBILITY STUDY OF ECONOMICS OF
BUILDING PIPELINE FROM WEST TO SERVE
EASTERN CANADA

Mr. Eldon M. Woolliams (Calgary North): I wish to direct a question to the Acting Prime Minister in connection with his answer with regard to a pipeline. In view of

[Mr. Laprise.]

the petroleum situation and the economic situation, particularly in this country, will the government initiate and promote a feasibility study to ascertain the economics of building a pipeline from western Canada to supply central and other parts of Canada with petroleum?

Hon. Mitchell Sharp (Acting Prime Minister): No, Mr. Speaker. It is not the intention of the government to initiate any such study. If the economics of the situation justify building a pipeline to Montreal, for example, there are many companies in this country with sufficient information which can make the necessary application for the building of such a pipeline.

Mr. Woolliams: Does the Acting Prime Minister intend to leave this serious economic matter to foreign controlled companies to decide for the good of Canada?

Mr. Sharp: Mr. Speaker, I think the hon. member knows the Trans-Canada Pipe Line is almost wholly Canadian owned.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Nanaimo-Cowichan-The Islands and then go on to another subject.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I remind the Acting Prime Minister that he is talking about the trans-Canada gas pipeline, not the interprovincial oil pipeline which is owned by a subsidiary of Standard Oil.

Mr. Speaker: Order, please.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The minister stated that there are 60 days oil supply in reserve in eastern Canada. What is this statement based on in view of the fact that the storage capacity is 15 million barrels of crude oil and 54 million barrels of crude oil products, which represents approximately three weeks supply? What is the source of the minister's optimistic estimate of 60 days?

Mr. Speaker: Order, please. I suggest we are now entering the field of debate between the hon. member and the minister.

Mr. Douglas (Nanaimo-Cowichan-The Islands): What is the source upon which the minister bases his 60-day estimate?

Mr. Sharp: Mr. Speaker, in anticipation of these questions being asked I asked the National Energy Board to advise me with regard to the position because they were rather concerned about the reports which appeared in the papers. Perhaps I could give the answer to the hon. member's question. The 16-day figure given for Canada is for crude oil refinery throughout. There are, however, some 50 days product supply on hand. Available crude oil would provide another 14 to 15 days product supply. Therefore there is somewhat over 60 days product supply available for the eastern Canadian market.