

CONTROL OVER WHOLESALERS TO ENSURE EQUITABLE  
DISTRIBUTION OF SUPPLIES

**Mr. David Lewis (York South):** May I ask the minister one other question along the same lines. Would he inform the House whether one of the objectives of his legislation—I appreciate the fact that he cannot go into details—will be to make certain that wholesalers that are not part of the majors' integral organization will be served by the majors so that they can serve their customers, and whether there will be any control over what the wholesalers do to make certain that there is equitable distribution?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** I can say to the hon. gentleman that one of the concerns we will have about this situation of short supply is that integrated companies not use the opportunity to the prejudice of independent dealers, whether at the wholesale or retail level. We regard this as an important level of the trade, both in home heating oil and gasoline, and the protection of this particular level will be one of the criteria that the board will follow.

[Translation]

MEETING OF MINISTER WITH PROVINCIAL COUNTERPARTS—  
POSSIBILITY OF REDUCING TAXES ON OIL PRODUCTS

**Mr. Léonel Beaudoin (Richmond):** Mr. Speaker, I should like to ask a question of the hon. Minister of Energy, Mines and Resources.

Following his meeting with his provincial counterparts, can he tell the House whether, in view of the shortage and especially of the high price of oil and heating fuel, they foresee any possibility of reducing taxes on heating products?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, we have indeed discussed this issue. My provincial counterparts have not, however, taken such a decision or confirmed that such a decision had been taken by their provincial governments.

[English]

PIPELINE TO MONTREAL—NEGOTIATIONS WITH  
PROVINCE OF QUEBEC

**Mr. Jim Balfour (Regina East):** Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. In light of the urgent need for the construction of a pipeline to the port of Montreal, can the minister advise us whether or not an agreement, at least in principle, has been reached with that province for the construction of such a pipeline?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** I anticipate meeting my Quebec counterpart in the very near future to continue the discussion which has gone on at the official level and which was interrupted by certain events.

**Mr. Balfour:** Is it the government's intention to construct such a pipeline with or without the agreement of the government of Quebec?

Oral Questions

**Mr. Macdonald (Rosedale):** I have already responded to that question. It would be our hope that we would be able to do so in a way that would be found acceptable to Quebec; but ultimately, undoubtedly, we will be held responsible for the security of supply to that market and we will have to continue with the decision taken at the outset.

NEGOTIATIONS WITH VENEZUELA TO SUPPLEMENT OIL  
LOST FROM ARAB COUNTRIES—EFFECT OF "FORCE  
MAJEURE"

**Mr. Peter C. Bawden (Calgary South):** Mr. Speaker, the minister spoke of *force majeure* which would account for the potential reduction of 125,000 barrels a day which was not from Arab countries. Would the minister say who is going to call *force majeure* and where this oil might go to, if Canada will not continue receiving it? Would he say whether his negotiations with Venezuela for royalty oil might supplement and replace the oil we might lose by *force majeure*?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** The suggestion of the hon. gentleman could indeed be a response to that situation. My current information is that Venezuela has not decided at the moment to take its royalty in kind rather than in cash. The *force majeure* would be called in effect by the supplier companies which have the contracts to deliver oil to Canada. I understand this is a standard aspect of the delivery contracts. So far as I know, it has not been called yet. Presumably it would be prorated, I would imagine, to western European parties in particular who would otherwise have been cut off from supply.

**An hon. Member:** Would you agree with that?

● (2030)

QUANTITY OF OIL TO BE TRANSPORTED FROM WESTERN  
CANADA TO MONTREAL

**Mr. Peter C. Bawden (Calgary South):** I would like to ask the minister what volumes of oil he projects moving into the Montreal market from western Canada by truck and rail, in barrels per day, and whether he can see a continuity of 50,000 barrels a day travelling from the west coast into Montreal. And can he say whether this might not come very close, along with the volumes presently reaching Montreal, to meet the shortfall?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** I believe there will be a continuity of this consignment through the winter of oil by tanker into Portland. My recollection is that the capability of the land transport system to deliver any substantial quantities of crude or petroleum products is not high, and I do not believe it should make up the difference.

**Mr. Bawden:** How big?

**Mr. Macdonald (Rosedale):** I am sorry; I do not have the actual figures here. I could give them at a later date.