

Oral Questions

JAMES BAY HYDROELECTRIC POWER PROJECT—QUEBEC INTENTION RESPECTING SALE OF POWER TO UNITED STATES

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, would the minister confirm the statement he made yesterday to the effect that the government of Quebec has informed the federal government it does not intend to sell any power from the James Bay power project to the United States?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, up to the present time we have had no indication that any part of that power would be sold either to Ontario or outside the country. Our understanding is that the site will be developed for the purpose of the Quebec load itself.

Mr. Hamilton: This understanding, then, is not based on any proposition that the federal government would resuscitate the old idea of a national power grid?

Mr. Macdonald (Rosedale): Mr. Speaker, it seems to me that the question of a national power grid is another question. One of the objectives of an energy policy should be to promote, wherever possible, the interchange of electric power among the provinces of Canada. Specifically, with regard to the James Bay project my understanding is that it is for consumption in Quebec only that the project is being proceeded with.

OIL—AVAILABILITY OF SUPPLIES FOR MARCH, APRIL AND MAY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is also for the Minister of Energy, Mines and Resources and arises out of his statement on January 9, found on page 87 of *Hansard*, that "there is apparently no problem in continuing supplies for refinery feed stocks", and his statement in the House on Friday last when in answer to my question he said:

We are aware of the fact that there is pressure with regard to the oncoming situation in March. At the moment it is not clear whether the industry will be able, as I suggested, to solve the question themselves.

May I ask the minister what factor has intervened in the meantime to alter the situation from what it was on January 9, when there was no question about the adequacy of supplies, so that the situation now is that the minister and the industry are uncertain about the availability of supplies for March and the coming months?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, the very sharp increase in the level of demand. As the hon. member will recall, in a statement about ten days ago the president indicated a further increase in the United States quota on the importation of Canadian oil.

Mr. Douglas: In view of the statement by the Minister of Mines and Minerals of Alberta, Mr. Dickie, in which he said that February would be the first month in the history of Alberta when there would be more consumers for the province's oil than it could supply, can the minister now assure the House that there will be adequate oil supplies

[Mr. Macdonald (Rosedale).]

to meet Canadian needs for the coming months, particularly March, April and May.

• (1420)

Mr. Macdonald (Rosedale): Yes, Sir, I will be glad to repeat that assurance. If the industry shows that it is incapable of meeting the prior claims of the Canadian refineries, the government will take action under the National Energy Board Act to make sure that happens.

Mr. Douglas: Can the minister give us any comparative figures as to the amounts of oil we are exporting and importing? I am not asking for exact figures. Are they in balance, or are we exporting more oil than we are importing?

Mr. Macdonald (Rosedale): Mr. Speaker, I would say that there is an excess in one direction. The figures were roughly in balance last year. I could not give the current monthly figures, but I would say there is a slight excess, on balance, in favour of exports.

Mr. Stanfield: Mr. Speaker, my question is supplementary to that asked by the hon. member for Nanaimo-Cowichan-The Islands and to the question I put to the minister a moment ago when I asked the minister about the nature of any assurances the United States is requiring with regard to supplies of oil or gas in exchange for an assurance relating to the supplying of our market needs. Could the minister not be specific and indicate the nature of the assurances the United States is seeking with regard to the supplying of Canadian oil for the United States midwest?

Mr. Macdonald (Rosedale): Mr. Speaker, I do not think I can be specific as to their position right now. They adopted a certain position in the past which we felt was not in our interest. As I indicated, it would be useful to have another discussion between officials to find out specifically what their objectives are and to see if agreement can be reached.

SUGGESTED AMENDMENT OF OIL AND GAS PRODUCTION AND CONSERVATION ACT RESPECTING CONTROL OF OFFSHORE OPERATIONS

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, may I direct a supplementary question to the minister. In light of the statement made on Friday by the minister that investment in an oil pipeline from western Canada to Montreal could become obsolete in the event of success of an offshore field off the east coast, and in view of the importance of offshore exploration activities at this time, will the minister now consider repealing portions of the Oil and Gas Production and Conservation Act and substituting in their place more comprehensive and concise legislation concerning the operation of controls in offshore regions?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I think as an indicator, the activity off the east coast shows that the legislation is no kind of deterrent.