

*Energy Supplies Emergency Act*

ing to Premier Lougheed of Alberta, the federal government could have built the pipeline in a crash program this past summer. By now the pipeline could have averted the most serious supply shortfalls in eastern Canada. In my opinion, at present we are experiencing serious supply difficulties, but I do not consider these difficulties as being the same as a serious energy crisis.

May I make the following comments about the bill. First, I do not think the bill is a temporary measure which will deal with a specific crisis and then expire. I think it is intended to be a permanent measure. It does not come into effect upon proclamation, such as the War Measures Act. It is in effect from royal assent and can be used by the governor in council or the cabinet at any time.

● (2040)

In talking specifically to the bill, its scope extends over petroleum products manufactured in whole or in part from petroleum, natural gas, coal or electric power. The scope of the bill is not confined to an emergency that is Canada-wide but can cover one that affects only a region of Canada; so we could have the government acting on pressures from one region, which certainly could be to the detriment of the long-term interests of the country. The scope of the bill not only provides for control of the products mentioned, but railways, pipelines, ships, Canadian and foreign, and extraprovincial motor transport. The entire power is in the governor in council. This is something we should be aware of, not only in this House but throughout the country.

The declaration of an emergency measure, actual or anticipated, is at the sole discretion of the governor in council or, in this case, the Minister of Energy, Mines and Resources (Mr. Macdonald). I consider this to be a sham. As long as the board acts on the instructions of the governor in council, it can be used in any way the governor in council wishes.

Another area that has to be considered is where powers are given and appear to be restricted, as with the declaration of an emergency and the regulatory powers that go along with it. It will be observed that these restrictions will be apparent only since the restrictions are subject to the discretion of the governor in council or the board. Another point should be kept in mind as we are debating and eventually coming to a vote on this legislation. Once again, this word runs through virtually every clause in the bill. It is the same kind of regulation that one detected in the old Bill C-176, the national marketing legislation, which gave the governor in council virtual domination over a large segment of the agricultural industry.

The bill would give the governor in council power to enter the provincial constitutional field of legislation, to affect provincial energy revenue sources, provincial industries manufacturing products in whole or in part from petroleum and, as well, provincial primary and secondary industries through control of railways, pipelines, ships, and extraprovincial motor transportation. If this bill were implemented, the side effects upon the provinces, apart from the direct effects, cannot be foreseen except in the darkest terms. This bill is unnecessary and unwarranted. The powers of the bill are too far reaching and cannot be justified under current circumstances. The government

[Mr. Murta.]

should only be given these powers after it can be established that Canada will in fact face a major energy crisis, and not a major transportation or distribution crisis. The government to date has not made a case to justify the wide-ranging powers of this bill. The only power the government may need now is the authority to ration. The government has at its disposal adequate legislative authority to deal with most of the other energy problems facing Canada today, certainly if it acts on consultation with the provinces, which is something it has not done up to this point.

There is another point that should be remembered: Should the far reaching powers of this bill be given to a government that has shown itself to be incompetent and incapable of handling the current situation? I say no, Mr. Speaker. These kinds of powers should not be given to the present government. Perhaps the most serious energy problem we face today is that of prices and price increases. This bill does not make provision for a realistic domestic energy pricing policy. No provision is made for the post-freeze period or for the replacement or removal of the export tax on oil.

Once again we see the government reacting to short-term expediency. The bill has the authority to negate provincial priorities relevant to any energy crisis. In fact, some of the powers are so far reaching that the federal government can invade areas of undisputed provincial authority. For example, the Manitoba Hydro corporation could set a rate and the federal government could invade that provincial right, changing the rate if it deemed this to be necessary.

With regard to recommendations, the legislation would certainly be more palatable if two areas were touched on, and two areas alone. First, an inquiry should be launched into aspects of Canada's energy crisis to determine the true extent of the crisis we face at the present time. Second, we would go along with this legislation if it contained an offer to grant the government the powers needed to allocate fuel supply at the wholesale level and rationing at the retail level, if that was the limit. As I mentioned previously, that is not the case. As I stated in my opening remarks, two important areas, from a global point of view, are not touched upon by this bill. There has not been any move by the government to even recognize the possibility of the kind of situation we could be getting into as far as food and agriculture are concerned.

I have been asked how this so-called energy crisis or supply problem we are experiencing in Canada is going to affect agriculture. I think it is safe to say that because of the inaction of the government in not extending the pipeline into the Montreal area when they had a chance, east of the Ottawa Valley line there may be some shortage of fuel for agricultural purposes. If nothing is done, the over-all effect will certainly be higher prices to the consumer, as the costs incurred by the primary sector will have to be passed on. We are looking at areas directly related to the whole petrochemical industry. We are considering fertilizer, for example, in which we will see an increase in price. We are talking of 15 per cent increase in the price of fertilizer for this year, and goodness knows what will happen in the future. Gasoline and diesel fuel, oil and grease will also be going up drastically in price.