

Energy Supplies Emergency Act

Nanaimo-Cowichan-The Islands (Mr. Douglas) made a very good remark yesterday, that the art of governing is the art of anticipating. This government and its predecessors should long ago have anticipated the kind of situation in which we now find ourselves. For that reason the bill will have some use if an emergency does arise.

The New Democratic Party played a very constructive role in committee on this bill and a number of our suggestions were adopted. We supported the Conservative motion that once an emergency was proclaimed by the government, this House should have a say in that declaration from this point of view, that if the House of Commons negated the declaration it would cease forthwith. We had intended to move such a motion, and when the Conservatives moved it in committee we supported it. The minister accepted our suggestion that once an emergency was declared and the allocation program went into effect, monthly reports of the allocation board would be tabled in this House and referred to committee for further study. This is now part of the amended bill before us.

We also expressed concern about the ability of independent wholesalers to obtain fuel supplies during a period of shortage. An amendment has been incorporated in the bill whereby the government will, where feasible, make sure that independent wholesalers of petroleum products will be supplied if at all possible. We also supported the move to strengthen the provisions in the bill to safeguard the environment from sulphur dioxide pollutants. We proposed to change the existing clause. The hon. member for Vancouver South (Mr. Fraser), a Conservative member, brought forward a very good amendment respecting the environment and we supported it wholeheartedly. Also, there seemed to be in the bill an omission on the part of the government. The bill contains a clause which deals with giving the government power to ration fuel products if the situation reaches the stage where it is necessary to ration supplies. There was no reference to petroleum prices at the rationing stage. The idea put forward in this respect was also accepted.

The bill has the capability of dealing with an emergency from the point of view of shortfall. We think that is necessary. We hope it will not have to be used. We can only guarantee it will not have to be used if this government begins to institute a comprehensive oil policy. Such a policy means we must treat energy—oil, natural gas and other energy products—as a public utility in the way in which we now treat electricity. In other words, energy must come under public, or government, control. We would then not be at the mercy of the multinational oil companies which are manipulating world supply and price.

Until we have a national pipeline we should be buying our oil on a government to government basis. This is something the national petroleum company could do. We should not have to buy our oil from the multinational oil companies which use the technique, through their subsidiaries, of jacking up prices to Canadian consumers. I have pointed out in this House how Imperial Oil makes a profit by charging a higher price to the Canadian consumer. Imperial Oil is a subsidiary of the huge multinational oil company called Exxon. Exxon gets its oil from Creole Oil in Venezuela. During the sixties, Creole Oil was buying

Venezuelan oil at \$1.45 a barrel and selling it to Imperial Oil at \$3 a barrel. They are all part of the same family called Exxon. The company is selling to itself, jacking up the price, and as a result the Canadian consumer is paying more.

We should not forget what it costs the oil companies to produce a barrel of oil. The cost of producing western Canadian oil, getting it out of the ground and to the wellhead, is approximately \$1.53 a barrel. For many years it was about \$1.28 a barrel. That oil is selling today for something over \$4 a barrel, yet the Minister of Finance says it should be rising to the world price of \$8, \$10 or even \$18 a barrel.

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How can we tolerate this kind of consumer rip-off any longer? We can only tolerate this situation if we do nothing about it, and we can only do nothing about it if we continue to depend on these oil corporations for our oil imports. It seems to me we ought to change the direction of our policy, and that we can no longer allow the oil corporations to develop our energy resources. There is about 10 years' supply of conventional fuel left in the Alberta oilfields, and clearly we must bring the Athabasca oil sands into production.

I hear members of the Liberal and Conservative parties say we should still let the oil companies develop these vast reserves. How long will it take members of those parties to realize that if we do so we shall be continuing the policy of sell-out which has been characteristic of the history of oil production in this country? We must seize the initiative. The Canadian people are demanding that the resources which belong to them should be exploited by the people, for their use, at fair prices. To continue as we have in the past will only mean economic ruin. In my opinion, the bill before us amounts to an admission on the part of the government that past oil policies have failed. Now I ask them to realize their mistakes and bring forth a total oil policy incorporating the prospects of self-sufficiency in supply and fair prices for Canadian consumers.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, it is not necessary to make any extended remarks on third reading of this bill, but since I made the opening statement on behalf of my party when the minister moved second reading there are just a few comments I should like to make.

First, I should like to congratulate the members of the Standing Committee on National Resources and Public Works on the work they did in connection with this measure. I think the legislation is greatly improved as a result of the amendments the committee incorporated into it, and indeed as a result of the amendments which were approved by the House at the report stage.

I wish, however, to underline the comment made by my hon. friends from Saskatoon-Biggar (Mr. Gleave) and Sault Ste. Marie (Mr. Symes) by saying that no one should go away under any illusion that this bill constitutes an oil policy for Canada. Bill C-236 is a tool which is being given to the government to enable it to deal with an oil shortage emergency should it arise. It may never be used. Most of us hope it will never need to be used. In itself, it is not

[Mr. Symes.]