

deplore the NDP amendment, which, is an expression of Socialist ideology. I do not believe this is a matter in which ideology should be a dominant or determining factor. To the extent that it is, it will merely complicate the issue and make a proper decision on basic questions more difficult to achieve.

● (4:10 p.m.)

I think there is little question that the pipelines will be built by Canadian-incorporated companies who will probably get as much financial support from Canadian citizens as possible, securing the rest of the funds required from sources outside the country. It seems to me that that is the reasonable way to handle the building of the pipelines or their financing. The question of raising taxes or taking money from the Canadian taxpayers to finance transportation of what will be primarily United States-owned oil and gas does not seem to me a very reasonable or sound proposition. I hope the government will take a much more definite stand than they have hitherto in urging upon the United States government the necessity for making a co-operative effort to bring the oil and gas resources of the north down to market, and will drop the more or less stand-offish attitude the government has taken so far.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I will abbreviate my remarks since hon. members who have spoken before me, particularly the Minister of Indian Affairs and Northern Development (Mr. Chrétien) and the Minister of Energy, Mines and Resources (Mr. Greene), have confirmed in their remarks many of the matters I have been made aware of by the petroleum industry, and repetition would not be of advantage. I want to try to make sure that the hon. member for Northwest Territories (Mr. Orange), through whose riding much of the subject matter of today's debate will ultimately flow, has an opportunity to say a few words.

I was very interested in the comments of the hon. member for South Western Nova (Mr. Comeau) and particularly in his claim for credit for this motion, which I am sure hon. members on both sides of the House appreciate. Had we not had his assurance that he was responsible for it, one might have assumed that the hon. member who moved it, or the hon. member for Calgary North (Mr. Woolliams)—whose inimitable prose comes through in the wording of the motion—had had responsibility for the motion.

I share the confidence of the hon. member for South Western Nova in the ultimate success that will meet the exploration efforts off the east coast of Canada. I am wondering whether he will be able to resolve this matter to the single criterion of ecology, as he is able to when this resource is lying some 4,000 miles away from the territory with which he is most familiar. Perhaps when faced with the reality of the matter, some of the technological, economic and social consideration involved in the business of petroleum exploration and transportation will assume a more important role in his thinking. Of course, rolled up in a ball of wax all these considerations

amount to political considerations, and this is one of the facts we must face.

We are talking today of oil that is located in the state of Alaska. We are talking about getting that oil from the state of Alaska to the southern 48 states of the United States—and we are talking about this question in the Parliament of Canada. It seems to me that the state of Alaska will be very concerned about getting that oil to market as well as about the public works required to achieve this result. A pipeline down the Mackenzie Valley is something that we can understand would be very desirable for Canada. Certainly we can argue for this from the ecological point of view; and I think we could probably very sensibly argue for it from the economic point of view as far as the customers at the end of the line in the United States are concerned.

It seems to me to make no sense at all to build a pipeline across Alaska, to transship the oil down the west coast by vessel, transship it to another pipeline in the state of Washington and then through that pipeline across the Rocky Mountains and into the Chicago market. In the long run, the Mackenzie Valley line, in spite of the fact that it will cost some 2½ times that of a trans-Alaska line, simply has to be the logical and sensible way of moving this oil. The state of Alaska will have a great deal to say about this pipeline and will demand the greater share of the works to be constructed. That is a reality of political life. I think the people of Alaska are in a much better position to bring political pressure to bear on the government of that state and on the government of the United States than are all the Canadians in and out of the House of Commons who are concerned with Canada's ecology.

I also suggest the Japanese market is another very important factor to be considered in this whole issue. Japan is a market that depends on the Middle East for 95 to 97 per cent of its petroleum supplies. Anyone who has any knowledge of world petroleum supplies will realize that today's situation is not a particularly enviable one to be in for a growing economy such as Japan's.

Whether the pipeline is built this year or next year, whether the technological problems and the ecological and economical considerations are resolved now or later, I am very firmly convinced that there will be a trans-Alaska pipeline. There will be a trans-Alaska pipeline because of the advantages to the state of Alaska of building the line in Alaska, because of the necessity of building it to serve the Japanese market and because of the necessity for the pipeline as part of a delivery system to the California market. The California market and the Montreal market are two areas in North America that will have to suffer gasoline rationing if supplies of petroleum from outside the North American continent are ever cut off. There is no way, given the continental pipeline system today, to deliver the fuel requirements of California or of the Montreal industrial complex without petroleum from outside sources.

In speaking of a Mackenzie Valley line in terms of oil, we are speaking of an additional line, not an alternative line. Both lines will be built. The Mackenzie Valley line