

*Energy Supplies Emergency Act*

public utilities. What are the implications of this policy nationally and for other provinces? I believe the province of Saskatchewan, in announcing this kind of policy, has shown a guiding light in the cold winter blizzard. It is introducing the kind of program which will mean that in the province there is to be public control of our resources and that they are to be developed in the interests of the people, and not of private capital.

Further, I believe the provincial government has done something fundamental which any national government, regardless of political philosophy, will need to consider. What do I mean? A province with less than one million people, whose major business is agriculture, has said that the multinational corporations can no longer be a law unto themselves, that they have a moral obligation to the people of the province with regard to the manner in which they extract the resources, sell them and make profits from them.

The province is saying that no longer can multinational corporations adjust the free flow of capital across boundaries or provincial borders without being obligated and accountable to democratically elected governments, provincial or federal. The province has outlined the kind of approach which national governments must take to all sorts of multinational corporations, not just to those operating in the oil industry. Therefore we, the people's elected representatives, have gained the right to plan and organize the utilization of a non-renewable resource for the public interest. The multi-national corporations are being called forth for public accountability.

● (2020)

In the move related to revenue from oil leases and lease rights, by increasing that revenue from 20 cents to 50 cents an acre the province of Saskatchewan has shown the federal government the manner in which they can move to increase their revenue from some of the many leases that are now held across the Northwest Territories. In order to have the right of lease, these corporations must be prepared to pay for it.

We have a public corporation, Saskoil, in the province of Saskatchewan. Saskoil will gain some of the funds related to the windfall profits that might have gone to the multinational corporations. These will be used for exploration, development and control of wholesale pricing. Through its experience in the activities in which it is involved, that public corporation can offer an outline for the kind of power and jurisdiction which the national petroleum corporation as suggested by the Prime Minister (Mr. Trudeau) ought to have.

The kind of policy enunciated in the province of Saskatchewan means there is a move toward something very fundamental to the national interest, namely, a government is openly saying to its people that it is not going to sell or to allow its oil products to be plundered from the ground and sold on the market for a fast buck. That energy source, because of its non-renewability, will be dealt with through a conservation board. The flow of the product from the fields will be done in an organized and planned manner, not according to the freewheeling of a few private corporations. This is the natural resource about which the provinces feel most strongly in terms of

[Mr. Knight.]

their right to have some control. This power was only gained by the western provinces in 1930. It has allowed Canada an opportunity to seriously reconsider the basis of our confederation. The national policies outlined by Sir John A. Macdonald and carried on by each successive federal government is surely, in these fast changing times, being called into question and calls for massive review of our energy resources. The Prime Minister and his ministers should now begin seriously to examine the economic and social foundations related to confederation. I believe very strongly that we will hold this country together and that there is no question of western or eastern separation. I believe we can do this by making some fundamental changes in the economic arrangements of this country.

Western members from all parties have talked about the freight rate structure and its inequities. We have talked about some of the policies relating to the marketing of wheat and domestic feed grains. We have talked about the need for revision of the eastern tariff structure as it relates to protection of the eastern market at the expense of the western producer. We have talked about income stability for western producers. Perhaps now, in a less emotional situation, the first ministers of our country will consider the need for revision of the economic and social basis of a national policy that has become outdated. The federal government has an opportunity to learn from the actions of the province of Saskatchewan how to gain public control over a very essential resource, as well as how to develop it offshore and in the Northwest Territories.

When the Premier of Saskatchewan appeared over provincial-wide television he said there should be some accommodation, because of economic issues, for a province which in principle agrees to a domestic price that is different from the international price. We have faced a two-price system for other commodities and we have not hollered about or condemned all of confederation. Every day of the week farmers in the province of Saskatchewan, which is our greatest wheat producing area, subsidize domestic wheat for the consumption of the Canadian population at a rate of 50 to 60 cents a bushel. That is a subsidy by the farmers of Saskatchewan to the people of Canada that should not be forgotten.

The Minister of Justice who is in charge of the Canadian Wheat Board has by edict, not by resolution of this House or by change in legislation, introduced a kind of domestic price on feed grain. What province is the greatest producer of feed grains? Saskatchewan. We have taken issue with that policy far more emphatically than the domestic price of our wheat.

We have a commodity called oil. We are relating it to domestic prices. The premier suggests an accommodation, a revision for some of the economic and social ills which Saskatchewan feels strongly about. The Premier of Saskatchewan has not gone as far as the Premier of Alberta. That is why I resent remarks such as "blackmail". The Premier of Saskatchewan said he is prepared to agree to the principle of a two-price system for oil in Canada, with an accommodation. That is not the case with the Premier of Alberta. I want to quote to this House the opening remarks of the Premier of Saskatchewan when addressing