

benefit of Canadians, they should be financed by Canadian institutions.

That is the major problem, Mr. Speaker, and we will have to pay an eternal tribute to those institutions to which we will transfer our assets, pay for those projects perhaps seven, eight or ten times over and nearly never see the day when we can own them.

That is where we should intervene and what we should be dealing with. If it is physically possible to carry out the large projects that are necessary in Canada it should also be as easy to take the necessary means to finance them for the benefit of the people of Canada.

That is where we should intervene, where we should fight and carry out all our large projects through sound finance, appropriate finance, with the required financial means and at very low interest rates. The right hon. Prime Minister said in his speech the other day on this subject that he asked steel producers to provide their steel at cost price to build the pipelines. However, he will not ask high finance to provide the money at cost price. That is where we should intervene. If we do not have the necessary financial means, since this is an urgent matter, a public matter and an important one for Canadians we should have the courage to ask high financiers to provide the money at administrative cost. This way we could build and hope one day to own what we are building. In the present system we increase our debt as we build, we mortgage our new developments in addition to all other obligations contracted in the past.

It is nonsense to tolerate such a situation.

[English]

**Mr. Cyril Symes (Sault Ste. Marie):** Mr. Speaker, I should like to say a few words on the third reading of Bill C-236, a bill which will give the government the power necessary to allocate oil and oil products in case of shortage anywhere in Canada. When we ask why this bill is necessary we shall find, as the hon. member for Saskatoon-Biggar (Mr. Gleave) suggested, that it is necessary because there has been lack of planning and lack of an over-all oil policy covering this country.

Advisers of the government, including advisers of the minister's department and also of the oil industry, are predicting a shortage of fuel supplies in eastern Canada of between 10 and 20 per cent this year. This bill is designed, in case shortages appear, to give the government power to allocate fuel so that nobody will go without. As the hon. member for Saskatoon-Biggar said, it will not solve our energy problems, it will merely spread the shortage around.

Why has the possibility of shortages arisen? One only has to look back a few years to the oil policy initiated in 1961 by the Conservative government of the day, under which Canada was divided into two energy regions, to see the reason. Those living east of the Ottawa Valley had to depend upon imported oil and those living west of the Ottawa Valley were supplied with oil from Alberta and Saskatchewan. The possibility of shortages in 1974 has arisen because Conservative and Liberal governments over the years have maintained that policy. If we had an oil pipeline bringing western oil to the eastern Canadian market, we would not have this problem. We would not

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have the problem of possible shortages, nor would we have the problem of higher prices facing the eastern consumer and, if the Minister of Finance (Mr. Turner) has his way, higher prices facing the western consumer.

● (1530)

I know at this time the Minister of Energy, Mines and Resources (Mr. Macdonald) and the cabinet are studying the issue of extending the western oil pipeline to eastern Canada. I understand the Sarnia to Montreal route seems to have favour at the moment because it can be completed within two years, whereas an all-Canadian route would take much longer. If the Sarnia extension is built in order to get the oil to eastern Canada as soon as possible, I wish to remind the minister that because of its capacity that pipeline can only fulfil between one-quarter and one-third of the needs of eastern Canada.

If the pipeline is extended from Sarnia, from the point of view of time, and if we are really concerned about self-sufficiency and security of supply, we should at the same time be building in stages an all-Canadian route. The first part could be built from Sault Ste. Marie to Montreal. Another branch could be built from Winnipeg to Thunder Bay. During the shipping season, Great Lakes' tankers could be used to ship the oil from Thunder Bay to Montreal for stockpiling while construction of the route around the north shore of Lake Superior is continuing. If we had an all-Canadian route plus the Sarnia pipeline, we could begin to be self-sufficient with regard to oil and would not be held up to ransom for the high price of oil from the Middle East and Venezuela.

In order to be self-sufficient we have to go one stage further. The minister has not been clear about this. If we are to be self-sufficient in oil and have Canadian prices we must begin to cut back our oil exports to the United States. We currently export about one million barrels a day to the United States. Eastern Canada imports close to one million barrels a day. If we want to be self-sufficient we must cut back on exports and stage phases so that this policy can come to fruition.

From the point of view of the security of supply and self-sufficiency it is essential that an all-Canadian pipeline be built. I urge the minister to give very serious consideration to this matter. If we do not build a pipeline we will never solve the supply and price problems. Surely from the point of view of Canada's future energy needs and future economic development, it is essential that this country become self-sufficient and insulated from world prices.

This bill is only a short-term measure. When it comes into effect the act will last only two years. It is designed mainly to meet emergency situations. The Conservative Party has opposed this bill from the beginning, first using the argument that they did not think there would be a shortage and then, after they were embarrassed by figures presented by various officials and by the oil companies, adopted the tactic that the bill gives too much power to the government and for that reason they oppose it.

If we did not have this bill to deal with an anticipated emergency, what would be the alternative of the members of the Conservative Party? I have yet to hear how they would solve a shortage if it occurred. The hon. member for