

trading system. We are already starting to see protectionist attitudes develop with respect to world trade. Many of those protectionist attitudes are being developed as a result of the oil import bill which countries are increasingly having to finance in a deficit way because they have not been able to develop their own merchandise account to cover the increasing cost of their oil imports.

If we do not avert this crisis, we will be faced with increasing world tensions, particularly with the Third World countries which for the most part are not going to be able to deal with this problem in the same way as the industrialized nations. They have fewer choices. Indeed, I do not think it is too much to say—and this was reflected by ministers at the conference—that the very future of western democracy itself is at stake. It is not over-stating the position to say that unless we find a way of managing this impending crisis, the fragile nature of our democracy may not be able to withstand the shock.

I should like, Mr. Speaker, to re-emphasize the remarks the Minister of Finance (Mr. Chrétien) made in his address last night. He emphasized a number of very important things, particularly in regard to energy. He stressed the need for investment in Canada to create jobs. He emphasized the need to take measures which are going to help improve the serious balance of payments problem with which Canada is faced. It seems to me that in the energy field we have an opportunity of doing some of these things but it is going to require some changes, and I think his remarks last night reflected the kind of changes to which Canadians should be looking. For example, he referred to the rather special area which he described as the critical energy area, along with several other areas such as housing and fisheries. The minister said, as reported at page 101 of *Hansard*:

In all these, and many other areas, much more has to be done by investment policy and basic structural changes. We intend to promote such changes, to seek the active co-operation of the provinces, and to engage as widely as possible in consultation with business, labour and other economic interest groups.

Clearly, Mr. Speaker, there is a signal that the government is prepared to re-examine some of its policies in this critical area which affect investment in this country. So far as energy is concerned, I think the best way to put the government's policy would be to summarize it around four basic thrusts. The first thrust is through energy supply policies which are aimed at stimulating the private sector to undertake huge energy projects across this country. I will deal with those in a few moments.

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The second area of thrust is through energy conservation and renewable energy initiatives by the federal government. I will deal with those in a moment. The third is through legislation and other initiatives aimed at protecting the public interest in three specific areas: firstly, providing information on cash flows from the petroleum corporations, to ensure that those cash flows are reinvested in conformity with the government's policy for new energy supplies—that will be covered by the legislation, the petroleum corporations monitoring act—

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secondly, ensuring a fair return to Canadians for the successful exploitation of Canadian Crown lands in the development of oil and natural gas—that will be covered by a new act, the oil and natural gas act. The third area of protection to Canadians, in the public interest, is ensuring the most effective methods for the regulation of the nuclear fuel cycle. That will be covered in a new act, the nuclear control and administration act. The fourth area of thrust is to work with the provinces toward the attainment of these objectives.

I would like to turn quickly to the supply side. I would like to run down a few of the kinds of projects which I think are illustrative of the projects for which we should be aiming, the kinds of projects we should plan to undertake in the next few years, the kinds of projects which are anticipated in the huge forecast of \$180 billion in energy investment between 1975 and 1990. The kinds of projects I am talking about are the Foothills (Yukon) pipeline—which I hope in part will start very shortly—a project which runs, in 1975 dollars, at around \$4 billion and which should generate roughly 100,000 man-years of employment; and the Tar Sands III plant. The bill for it is much in the same order; it will amount to around \$3 billion, in 1975 dollars. There is every indication that in terms of man-years of employment it will be comparable, perhaps even significantly greater, because the permanent employment associated with the Tar Sands III plant would be significantly greater than that of a major pipeline.

Another project is the expansion of the existing Syncrude plant, which should come on in the next year, by another 75,000 barrels a day, the expansion of the GCOS plant, the first Tar Sands plant, by another 25,000 barrels a day, and a major investment in Cold Lake for the development of heavy oils, roughly \$2 billion to \$3 billion for a 100,000 barrels a day upgrading plant. There is the opportunity of another heavy oil upgrading plant in the Lloydminster area, of the order of \$1 billion in investment and a 100,000 barrels a day. Electrical generation projects in the Atlantic area, the Gull Island project, for example, a \$2 billion project and for example a tidal power project in the maritimes which would run close to \$1 billion. These are examples of the kinds of projects which we should be planning to put into place over the next few years.

Mr. Gillies: That should have been done ten years ago.

Mr. Gillespie: I believe the projects can largely be undertaken, in the sense of being financed and managed, by the private sector. Clearly, there will be a need for the provincial governments and the federal government to participate in the development of some of these projects. I do not suggest that these projects are by any means the totality, but I indicate them as the kind of really major projects we shall be undertaking. In total, in 1977 dollars, just the ones I have mentioned would add up to \$20 billion. That is a significant investment challenge for the Canadian people and primarily, I suggest, for the private sector.

I believe there are a number of other government initiatives that should be mentioned at this time. As I have already