

subjects. The hon. member for Qu'Appelle-Moose Mountain is rising, as are the hon. member for Skeena and the hon. member for Calgary North. I would hope we could go on to the next subject after their supplementaries.

Mr. Hamilton (Qu'Appelle-Moose Mountain): Will the Standing Committee on Energy, Mines and Resources have an opportunity, as the minister promised, to discuss these matters with him before he meets with the provincial governments or with industry again?

Mr. Macdonald (Rosedale): Mr. Speaker, I would remind the hon. gentleman that the committee now has an order of reference in general terms before it which would enable this discussion. I would be quite prepared to meet with the committee any time it wishes to arrange new hearings.

● (1450)

NATURAL GAS—REQUEST FOR COMMITMENT BY
GOVERNMENT THAT BRITISH COLUMBIA CONSUMERS
WILL BE SUPPLIED

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to direct a supplementary question to the Minister of Energy, Mines and Resources. It is a rather uncomplicated one. Short of all possible decisions that may come from the Energy Board discussions, is the minister prepared now to commit the federal government to the proposition that it will move to ensure supplies of natural gas to British Columbia consumers?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, they will certainly make every effort to do so. It depends, really, on the availability of the gas.

Mr. Howard: It is available.

OIL EXPORT TAX—DIVISION OF PROCEEDS BETWEEN
FEDERAL AND PROVINCIAL GOVERNMENTS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I direct a supplementary question to the minister. He mentioned that there would probably be a meeting with the provinces in May, 1974. Has there been any meeting so far with the Alberta government, and as a result of that meeting is there an agreement to return to that province 100 per cent of the surtax now being collected on crude petroleum?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, there is no agreement on that. There is agreement to meet with the Alberta ministers again later this month for the purpose of discussing that question.

Mr. Woolliams: Has there been any meeting with the province of Saskatchewan, which stands to lose \$70 million by this tax, and is there an agreement with them to return 100 per cent of the tax?

Mr. Macdonald (Rosedale): Mr. Speaker, we have met with both the provinces of Saskatchewan and British Columbia as well as with Alberta on this question. Essen-

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tially, the division of the proceeds of the export tax, once passed by parliament, is a matter still to be settled with all three provinces.

EFFECT OF PERSIAN GULF OIL PRICE INCREASE ON PRICE
AT MONTREAL

Mr. Jim Balfour (Regina East): Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources. In light of the proposed 17 per cent increase in the price of Persian Gulf oil, will the minister advise the House whether this will result in a corresponding increase in the price of crude oil at Montreal?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I think I am correct in saying that about 60 per cent of the oil arriving in the Montreal market comes from elsewhere than the Persian Gulf. I think it is true, however, that an increase of this kind, whether it be a Venezuelan tax measure or an increase in the posted price in the Gulf, is bound to increase the cost of oil landed in Montreal, and in due course that will affect the price of products in the eastern Canadian market.

OIL—PRICING POLICY FOR DOMESTIC CRUDE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, in view, particularly, of the answer the minister has just made, can he tell the House if he proposes to use the meeting to be held on November 23, I believe, with the provincial energy ministers to reach a decision on pricing policy for domestic crude in Canada? Does he intend to reach a decision with regard to pricing policy at that meeting or prior to that meeting?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, the discussions on the question of pricing policy have been extensive. I am not certain whether we are at the point where an earlier decision could be taken in that regard.

OIL EXPORT TAX—FEDERAL GOVERNMENT POSITION ON
DIVISION OF PROCEEDS—POSSIBLE CURTAILMENT OF
PRICE INCREASES BY COMPANIES

Mr. Bill Knight (Assiniboia): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. In view of the fact the government has not reached an agreement with the provinces of Saskatchewan and Alberta on the question of the allocation of funds resulting from the implementation of the tax on oil exports, can the minister inform the House of the position the federal government is taking on this oil tax? Can he also inform the House as to what action is to be taken if American oil prices should increase and whether the 40 cents a barrel export tax will therefore be increased?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, specifically, in response to the hon. gentleman, the answer would be yes. The intention is to achieve a two-price system in this country. If the fair and reasonable price for Canadian oil in the American