

Oral Questions

by the cabinet so that the people of Canada will be protected in respect of this important measure.

Mr. Lalonde: Madam Speaker, I can give the clear assurance to the hon. member that the government will respect the law and, secondly, that any step we take will be taken in the interests of the people of Canada, in order to protect the people of Canada as the hon. member has suggested.

Mr. Broadbent: Madam Speaker, let us be perfectly clear about what the minister has now said. The minister has said that the government is prepared to change the Northern Pipeline Act by removing the guarantee put in at the request of Parliament.

If the government removes that guarantee, what we will have is a pipeline entirely different from the one approved by Parliament: we will have a pipeline designed to ship Canadian gas to United States markets, instead of a pipeline as approved by Canada to ship U.S. gas to U.S. markets. Is that what the minister is saying?

Mr. Lalonde: No, Madam Speaker.

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● (1430)

ENERGY**SUBSTITUTION OF CANADIAN GAS FOR IMPORTED OIL—ENERGY SUBSTITUTION PROGRAM**

Mr. Ian Waddell (Vancouver-Kingsway): Madam Speaker, I have a question for the Minister of Energy, Mines and Resources. In the speech entitled "Canadian Energy Efficiency" which he gave in Montreal on May 15, the minister said that it was—to use his words—a "strategic imperative" that Canada get off oil.

The minister set a goal of a 10 per cent decrease in our use of oil. He mentioned that 375,000 barrels per day would be cut out, and that this would be done through an energy substitution program which would largely substitute Canadian gas for imported oil. Did the minister's department calculate how much gas was needed to achieve that goal?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I would like to correct the misreading of my speech by the hon. member. If he reads the text carefully, he will see it says that our commitment is much larger than the one to which he referred. Our commitment is, not to reduce the consumption of oil by 10 per cent but to reduce the consumption of oil used for residential, commercial and industrial purposes to 10 per cent of the energy needs for those specific purposes. Indeed, the commitment was very substantial. We are convinced that it can be, and will be achieved, during this decade.

With regard to the amount of gas that is required, my department has examined the implications of such a commitment. My officials have assured me that Canada has sufficient

reserves to meet such a commitment and objective, which is very much in the interest of the country.

Mr. Waddell: Madam Speaker, I note the commitment to change to Canadian gas from oil. Before the minister announced his May program in that speech, to substitute gas for oil and thus increase the demand for Canadian gas, the National Energy Board last December, I believe, calculated Canada's gas reserves and then allocated our entire surplus for export to the United States in order to finance the pre-building of the Alaska Highway natural gas pipeline. It is an either/or situation; the minister cannot have it both ways.

Will the minister approve the National Energy Board's gas exports to finance the pre-build, or will the minister keep the policy which he just outlined in the house and keep the gas in Canada to implement the policy which will allow Canadians to substitute gas for oil?

Mr. Lalonde: Madam Speaker, I would like to make two comments in answer to the hon. member. First, if the hon. member would again refer to my speech, he would see that it does not refer exclusively to substitution of gas for oil: it refers to other forms of energy, particularly electricity. It is not the mere substitution of oil by gas. We hope that a large portion of the substitution will be gas, but the program is not based exclusively on gas. I made this quite clear in the speech, which refers to other possible sources of energy such as coal.

With regard to the second part of the hon. member's question, I can assure him that this government will do nothing to approve exports that would jeopardize the security of Canadian supply. Security of Canadian supply will always come first as far as this government is concerned.

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OFFSHORE RESOURCES**INQUIRY TO WHOM ROYALTIES SHOULD BE PAID**

Mr. Lloyd R. Crouse (South Shore): Madam Speaker, I direct my question to the right hon. Prime Minister. In view of the fact that the Council of Maritime Premiers meeting recently at Dalvay, Prince Edward Island, agreed that royalties from offshore mineral resources should go to the provinces, is the Prime Minister giving any thought to rethinking his position on this matter? If so, when can we expect a statement from him?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, my thinking on this matter has been made public many times, including during the last federal election. I would inform the hon. member that the subject of offshore mineral resources is one of those to be examined by the constitutional ministers in their meeting beginning next Tuesday. The federal position will be stated there and made known to the representatives of the provinces, and no doubt discussions will ensue.