

prices and the feeling that perhaps business conditions in the United States, our greatest trading partner, will not be too good next year. But that is no reason for establishing an emergency energy allocation board. We need leadership. We need government assurance to the effect that, yes, there are some trading problems in the world and, yes, there will be some price problems, but Canada is self-sufficient in every conceivable form of energy right now. We need government assurance that energy has a top priority for Canadians, that we are going to use that energy to develop Canada for Canadians, and Canadians will not go short. We should be told that while Canadians may have to pay a little more in price, in some cases, that price increase can be mitigated by a government which is concerned about its people's problems.

• (1710)

One of our problems is that we have not yet determined an all-Canada oil policy. On September 4 the Prime Minister finally suggested a pipeline to Montreal. In this House, on December 6, he again talked about that pipeline. Today and last week in this House we asked about that pipeline. We want to know how big it will be. The government has not yet even determined where the right of way will be. Have they ordered any steel? Not on your life! We heard about possible discussions with the Interprovincial Pipeline company. There has not yet been an application to the National Energy Board to build the pipeline. The most basic preliminary work has not yet been done—and these fellows to my left voted for this government because they thought they had a national oil policy.

If the refineries are going to get organized, drilling is to begin and people are starting to work, there must be some incentive. One incentive to the oil industry must be a clear declaration that within a firmly limited period of time the Canadian oil industry will have a monopoly on sales in the Canadian market, that we are going to deliver Canadian oil to Canadians and we will at least have a base market for Canadian producers. That is one thing that had better be said soon. Can a company be expected to build a pipeline to Montreal today, ship oil there, and tomorrow when the world price drops find there is no market for what comes out of that pipeline? Of course you cannot expect that. That is why there is a problem in connection with who will finance the pipeline.

Would anyone finance a pipeline to cover a problem that will last a year or two, and then let the pipe-line rust? Under all conceivable circumstances surely we must build a pipeline that will solve the Canadian market problem, and that market should be assigned to Canadians. It is time we had such a leadership decision from this government. Unless we get leadership decisions, the problem will not be solved in terms of delivery.

We can tell people in Alberta not to turn on their lights. We can tell people in Saskatchewan not to drive their cars over 50 miles an hour. We can do what the province of Saskatchewan has done, namely, keep more oil in the ground for the reason they cannot sell it as it cannot be delivered. Isn't that intelligent? That is the kind of leadership we have been getting. That is one of the serious problems Canadians are facing.

Energy Supplies Emergency Act

I visited my constituency on the weekend. The people there wondered about this government. I, too, wonder about them. This bill not only controls petroleum but every other source of energy that is said to be a substitute for petroleum. It controls electricity, coal and nuclear energy. We have no shortages of those sources of energy at any point in this country. I do not know of any company that is short of coal and cannot buy all it wants. I know of no hydro power commission that is short of uranium and cannot buy all it wants. Indeed, we will be selling it to Japan for the next umpteen years.

I know of no problem in connection with natural gas. The information we have is that there is plenty of capacity in the pipeline for the delivery of that product. There is a pretty fair reserve of that product, yet this government insists on saying in this legislation that these other items of fuel are also to be controlled. When there is no conceivable shortage, no price problem and no delivery problem, how can the government have the audacity, unless it has much more on its mind, to even suggest that these alternate fuels be controlled?

I want to speak for a moment about pricing. For a number of years before coming here I was involved with Scout work. I remember running a camp in Muskoka for many years. The first time we went to that camp there was a lot of firewood around. As camp cook, it was very easy to chop down a tree and cut it up for firewood right on the spot. Not much energy was involved in that. However, after several years it was necessary to bring in firewood from about a mile away. That is very much like the situation in the oil industry. We have had cheap oil for a number of years. We probably have enough relatively cheap reserves to last us for the next ten years. We could do what the New Democratic Party suggests and freeze the price at the actual cost of production from these relatively cheap sources. We could have controlled cheap prices for Canadians for probably the next eight to ten years.

However, during that period there would be no research; no money would be spent in developing the heavy oils of Alberta and Saskatchewan; no money would be spent on the tar sands; no money would be spent elsewhere. The oil companies involved would have no incentive to go out and find high-cost oil. Their prices would have been frozen so they would make a profit on their present reserves. They would lose money if they explored and developed high-priced reserves because of the freeze. We must have a policy that encourages companies to develop these high-priced possibilities.

We may well need to have a situation where staged increases are allowed in all prices of oil products providing they are used in the course of developing further reserves. It may be we will have to use the only thing that business will understand, profit—and I see nothing wrong with that word—to allow most companies the freedom of movement to start developing new sources of supply, and on that basis perhaps be able to charge a little higher price at this time to encourage them.

One of the major concerns which I have is that the bill binds Her Majesty in the right of the Crown and, I suppose, binds the provinces. I can see no other reason for that clause in the bill. One of the questions raised here