

South would agree that it would be rather difficult for the Chair to put the motion at this time.

ORAL QUESTION PERIOD

ENERGY

OIL—REASONS FOR IMPOSITION OF EXPORT CONTROLS—EASTERN CANADA SUPPLY—PREVENTION OF POSSIBLE PRICE INCREASES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, in the absence of the Minister of Energy, Mines and Resources, which I understand is necessary today, I should like to ask the Prime Minister a question about the imposition of oil export controls. The minister indicated a number of days ago that controls would only be imposed if it became clear that the industry itself could not assure an adequate supply of oil for the month of March and the spring. What has happened since the minister made that statement to cause the government to believe that there will be a shortage?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, if I may attempt to respond in a general way, it was obviously on the advice of the National Energy Board, concurred in by the government, that the Minister of Energy, Mines and Resources told the Standing Committee on National Resources and Public Works last night that:

Recent levels of export demand for our oil have been such as to strain the capacity of our oil production and transportation systems and to threaten the continuity of supply of Canadian oil to domestic refiners dependent on such supply.

• (1120)

Mr. Stanfield: May I ask the minister whether he is able to assure the House that, with the imposition of controls on the export of oil from Canada to the United States, that part of the country east of the Ottawa Valley will have adequate supplies of oil and that normal supplies of oil to eastern Canada will not be interrupted or endangered?

Mr. Gray: Mr. Speaker, I would prefer that the Minister of Energy, Mines and Resources give more detailed replies, but it is my understanding that it is his desire to see that steps are taken to ensure that kind of result.

Mr. Stanfield: Mr. Speaker, I will leave that question to the Minister of Energy, Mines and Resources and ask the Minister of Consumer and Corporate Affairs a question appropriate to his jurisdiction. Can he assure the House that the prospective shortage of oil in Canada in the coming months will not result in significant increases in the price of oil and related products, and has the government any contingency plans to meet such possible increases in the price of oil products?

Mr. Gray: Mr. Speaker, I do not understand the circumstances to be such as to suggest that there is a prospective shortage of oil in Canada itself if measures of the type

Oral Questions

that were announced yesterday are taken. However, I am following this matter very closely and am consulting closely with my colleague, the Minister of Energy, Mines and Resources, with a view to ensuring, so far as I am able to do so, the consumer interest in this matter.

OIL—REQUEST FOR INDEPENDENT STUDY OF TRANSPORTATION OF PRODUCT AND POSSIBLE PIPELINE TO MONTREAL

Mr. Eldon M. Woolliams (Calgary North): I have a supplementary question, Mr. Speaker, for the Prime Minister. In view of the evidence before the standing committee last night which projected carefully the reserves of crude petroleum—the problem is that the pipeline transporting crude petroleum is carrying a full capacity load and the licence for interprovincial extension of the pipeline which would increase the volume by 125,000 barrels a day has not yet been granted—will the Prime Minister consider seriously, and I have asked this question before, setting up an independent group other than the National Energy Board to review the question of transportation, which really brought about the decision of the government that was disclosed last night?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will gladly bring that suggestion to the attention of the minister.

Mr. Woolliams: Mr. Speaker, may I ask a further supplementary. In view of the questions put by the leader of my party and as we are still importing almost as much crude petroleum as we are exporting, within a few hundred thousand barrels per day, would the Prime Minister also set up a study to look into the economics and the possibility of a pipeline to the Montreal market from western Canada as he has taken, and I say this in the proper sense, Mr. Speaker, a new interest in western Canada?

Mr. Trudeau: Mr. Speaker, my interest in the hon. member's question is as perennial as grass.

Mr. Woolliams: Mr. Speaker, may I ask the Prime Minister whether the decision made last night, which was not based on a shortage of reserves but on the question of transportation, was the price that the government had to pay the NDP for its support of the budget?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

OIL—ACTION TO ASSURE SUPPLIES FOR EASTERN CANADA

Mr. Max Saltzman (Waterloo): Mr. Speaker, may I direct a supplementary question to the Minister of Consumer and Corporate Affairs. Last night, when the announcement of the change in oil policy was made, all predictions and calculations were based on western oil going only as far as the Ottawa Valley and no consideration was given to requirements for the Montreal area and eastern Canada. Since the calculations made by the National Energy Board will be completely out of kilter if oil supply to that area is cut off, as they do not take into