

*Energy Supplies*

done anything about cleaning up the inefficient and, in some ways, wasteful distribution system in the country? We still have the bottleneck which was there in 1973 and 1974 which spokesmen on both sides of the House deprecated. The bottleneck in the pipeline is still there. It is there tonight. Because it is there, not enough Canadian crude is going into the Montreal area. Absolutely nothing has been done to clear up the very obvious deficiency for Canadian crude, or crude from no matter where it comes, in the Atlantic region.

Why have these matters not been looked at before, rather than waiting for the crisis to be upon us? As is usually the case, the government comes in with too little too late. No facilities or encouragement have been provided by the government for people in the private sector to promote or build storage and reserve facilities for crude and refined products. If the minister is sucked into the position by some of his socialist colleagues in the cabinet and in the House to the point where, God forbid, PetroCan should enter the picture, of course they will discover that PetroCan or any agency associated with the government simply does not have the required and necessary storage or reserve facilities for large amounts of crude which should have been in place long before this.

The minister knows there are geological formations, especially on or near the east coast. One major formation is located in the riding of the Deputy Prime Minister and President of the Privy Council. Another is located on an island off Newfoundland. There are many geological formations which would be suited very admirably for reserve and storage facilities on the east coast. But in the years between 1974 and 1979, the government did absolutely nothing about it.

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We lack government policy and we lack government programs to rectify some of these obvious and serious deficiencies. We even have a refinery at Come-By-Chance, Newfoundland, that is in mothballs. For heaven's sake, a few months ago when there was a glut of some of this crude oil on the market, what did this government do in an attempt to free and get working some of those cobwebbed refining facilities that are in existence? Even the refineries in eastern Canada that were working were operating at much under capacity. These are matters which I think in more sane and more reasonable times this House would be able to discuss in an unemotional way. We cannot do that tonight because we are under the gun, under pressure to get something done; again under pressure to enact emergency legislation to deal with an emergency situation which we should not even be facing, but one that does exist.

The bill before us tonight is an admission in itself that we were right and the government was wrong. Look at the calm and soothing words that have come from the minister. He says no action is necessary; there is no concern; shove it all under the mat. We only start to learn the truth, and the government only starts to come forward with legislation, after a part of the real situation is exposed by the official opposition. Then we have a complete reversal. Instead of the minister saying all is

well, we have a complete reversal which includes a very neat political dodge.

With great huffing and puffing, Lord Alastair on his white horse comes charging after all the multinationals. With great huffing and puffing he is charging not only against the multinationals but against the Canadian subsidiaries of the multinationals. The minister asks in shocked and hushed tones, why didn't Imperial deal directly with Venezuela? That is what the minister asks. I think people in this country have every right to ask why the minister did not know earlier and make his directives earlier. Who has been in power, for heaven's sake, over the last few years? If the minister did not know there was a middleman in the Venezuelan crude deal, what does the minister know and what does he do? I suggest the answer is absolutely nothing. He should have known that even had Imperial dealt directly with Venezuela that would be no guarantee that today somehow or other we still would not be in the same situation.

We are tied to the international shortfall with all the signatory countries to that 1974 treaty. Once they hit the 7 per cent triggering mechanism it does not really matter whether Imperial Oil or any of our other Canadian subsidiaries of multinationals were dealing directly.

The minister's cabinet colleagues, and his NDP colleagues in this House, argue that the government deserves some credit because Petro-Canada was set up under this government, even though at great cost to the Canadian taxpayer. They argue that if Petro-Canada had been used as the buying agent none of this would have happened. That is the theory.

Petro-Canada has been in existence for some time. If the minister or his cabinet colleagues now feel that Petro-Can is not acting correctly, or should have been the agent, or the intermediary, or the wholesale broker in some of these international deals, why did the minister not direct it in that way before this? Why does the government come along at this stage and do this? I will tell you why that is. It is simply because, underneath it all, the minister realizes that the intervention of a state oil trading company in the middle of complex, complicated negotiations and dealings between people in the private sector and people in the producing field would not add anything toward the solution of the international energy crisis of today. I suggest that would not do anything at all to help us get out of this hole this government has dug for us. I do not believe that the intervention of PetroCan in the Mexican transaction, or in the Venezuelan transaction, would have been any help at all.

I would ask the minister, if he is now not satisfied, why did he wait this long before making these representations? If Petro-Can should be the buyer from Mexico why is the minister telling Canadian companies to deal directly with Venezuela? Why is there this contradiction? If this is good on the one hand, why is it not good on the other hand? If it is all right for Canadian companies to deal directly with Venezuela why is it not all right for Canadian companies to deal directly with Mexico? As the minister knows—I better amend that by saying, as I hope this minister knows, there were Canadian