7189

The Budget-Mr. B. Loiselle

year represented an unprecedented and important effort cannot but help achieve the objectives of the government, which are to provide decent shelter for as many Canadians as possible, be it a single family house or a low rental unit. Needless to say that such an effort, if it is sustained over a three year period, for instance, must nevertheless bring longer term results over a period of 10 to 15 years.

The second aspect that strikes me is the policy put forth by the government with regard to energy and illustrated in the budget. As anticipated at the last federal-provincial conference on energy, the government has upped the price of a barrel of Canadian oil. It has also provided new tax measures granting exemptions to companies willing to engage in oil research, exploration and development.

As André Raynault pointed out in a recent speech, it was important to put an end to the cosy situation Canada enjoyed compared with the world energy situation, even though oil and gas are part of the life of every Canadian and account for almost 60 per cent of all energy consumed in Canada in 1974.

(1700)

By maintaining domestic prices at levels substantially lower than international prices, Canada was only pushing the term further away and subsidizing private citizens according to a formula that was definitely less fair than income tax. Such practices encourage energy consumption and they discourage the search for new oil sources and the development of alternative energy sources. By playing the rich uncle, Canada was drifting away from world trends, which is unacceptable in our days of interpendent world economies and leads to economic downturn at a time when oil sells at \$2 a gallon of gas in other industrialized nations. The new measures in the budget should help limit consumption. This is desirable in a global perspective. It should however be conducive to two types of measures meeting new needs created by high energy prices and the requirement to find new transportation modes less costly than the private automobile.

The present budget answers the first question. It favours harmony at the national level by ensuring a minimum of justice as far as resource prices are concerned. The single domestic price for oil is essential to a united confederation. But demand growth, which probably will outrun domestic production by 1978, requires the development of new operations. Within the next 10 or 15 years, three main sources of oil and gas energy may be tapped.

The first one is the vast tar sands areas. Production had until now been prohibitive by private corporations and even by the government, in view of the low domestic price for oil. With the prices likely to keep on increasing, and with the new incentives for companies to do exploring works, we shall soon find ourselves in a position to exploit these important but costly resources. Other oil or gas products may be found in the far north and offshore in the east. The most optimistic are hoping to extract about 500,000 barrels a day within seven or eight years.

On the whole, if we are to become somewhat self-sufficient in energy in Canada we will have in the next fifteen years to get investments exceeding \$25 billion for the development of new resources in the west, the north and the east of our country. If not—and perhaps our colleagues

on the other side may find it advisable to remember that in three years—we shall be at the mercy of exporting countries. Then it is not raises of 10 to 15 cents a gallon of gas that Canadians will have to pay but more. It was therefore urgent to start funding this year the development of resources which will be necessary on a long term basis. That is what the budget provides for. However, a new need probably will develop among consumers: for want of an automobile, they will need a well-integrated public transportation system. In that respect, I would like to raise a problem dealing with budget prospects for the few years to come. Although I agree that the present budget restrictions are necessary, I dare hope every attempt will be made to implement as fully and as quickly as possible aspects of our national transportation policy which still will have to be stated, along the lines of the program which the Liberal party put forward during the last 1974 electoral campaign. Those investments indeed have to be made on an emergency and priority basis to provide for long term substantial economies of oil products, and for a smooth development of Canadian trade, as well as to solve one of the most delicate problems of the development of urban communities in Canada.

What I have in mind especially is the last aspect of the question, mainly the help to public urban transportation and commuting systems. The Chambly constituency which I represent spreads over a wide area of Montreal's south shore. We in that region have a huge problem with respect to public transportation, not to say that we hardly have any public transportation at all. The management of public transportation in the main cities of that area was recently unified witin the new Montreal south shore transportation commission. This commission already works with the cooperation of the Quebec Department of Transport and is actively updating the present system and developing a broader and more complete system to provide people in that area with adequate means of transportation.

However, establishment of the new system is still in its infancy, and things will remain so until details of the new national transportation policy have been made operative and known to the public. I am aware that the Canadian Department of Transport is preparing a thorough and extensive policy in this field.

I should like to remind my colleagues of the major lines of the government's election program with regard to urban and commuter transportation. Among other things, the program promised to finance 100 per cent of the deficits in the field of commuter transportation by rapid train, to pay 50 per cent of the construction costs for stations within such a system as well as 25 per cent of the urban public transportation deficit with regard to travellers wanting to reach the suburban system. As a result, I am impatiently awaiting the official announcement by the Minister of Transport concerning the terms and conditions of the application of such measures and promises, and I urge the Minister of Finance as well as the entire government to request urgently that Parliament vote the necessary credits for their swift and thorough application. As a Liberal candidate in the last elections, I made this program totally mine, and together with all my colleagues I will do my utmost to see to its implementation.