

year, but no positive reaction came until this sudden blasting in all directions on September 4, September 13 and, I suspect, again tonight.

Finally, Mr. Speaker, nothing in this great energy policy statement deals with the fact that no effort whatsoever is being made in Canada to find and to put on the market in the next three or four years alternative forms of energy to oil, gas and coal.

Some hon. Members: Hear, hear!

Mr. Hamilton (Qu'Appelle-Moose Mountain): When I see our neighbour country to the south, which is in worse shape than we are, spending \$2 billion a year on this type of research—as much as they spent on getting to the moon—and we are spending literally as close as you can get to absolutely nothing, I wonder. The latest report of the Department of Energy, Mines and Resources stated flatly that it is the agency of the federal government for non-renewable resources. I suggest to the minister and to the whole country, Mr. Speaker, that it is time his department looked at alternative forms of energy, because in the short run and in the long run they are the only ways we will be able to check prices. There is no point in going along with the government being defender of the consumer when we have arbitrary acts such as we have witnessed in the statement tonight.

Some hon. Members: Hear, hear!

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the present oil crisis in which Canada finds itself is due to the deplorable lack of planning by the federal government over the past ten years, and particularly over the past five years. It has been glaringly apparent for some time that the United States was becoming increasingly dependent upon imported oil. It was also apparent that the Middle East, which has over 80 per cent of the world's oil reserves, would be using the growing world demand to raise the price of its oil. For years the New Democratic Party has been urging the government that Canada, as a net exporter of oil, should do two things. The first is to assure its consumers security of supply. Second, the government must protect those consumers from being gouged by the oil industry, which is seeking to take full advantage of escalating world oil prices.

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To this end we have urged a succession of ministers of energy, mines and resources to extend a reversible oil pipeline to eastern Canada and to reduce proportionately our exports of oil to the United States. This has not been done. We now find ourselves threatened with a shortage of imported oil and a dramatic increase in price of such imported supplies as we are able to procure. The consequences of the government's procrastination are now upon us. The chickens of the indecision are coming home to roost. It is the consumers of eastern Canada who will pay the price for the government's lack of foresight.

An hon. Member: Who is going to believe that?

Mr. Douglas: While facing this situation in which we have witnessed a deplorable lack of planning, we have been waiting for the government's long awaited and much

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vaunted statement as delivered by the minister. It was so important that it was postponed twice today. I must say that when one reads it one will find, surely, that this is a most inadequate response to a desperate situation.

Some hon. Members: Hear, hear!

Mr. Douglas: As a matter of fact the leader of my party, the hon. member for York South (Mr. Lewis), and I were given only one copy of the statement in each language. I read the English version and he read the French version. When we had finished, we were sure some pages were missing. We just could not believe that we had read the minister's statement, in view of all the fuss and furore and the waiting until the stockmarkets had closed.

What are the proposals contained in the minister's statement? First, the minister proposes to retain the price restrictions with respect to western crude oil until the end of January. Of course, we commend him for that. We hope that these will be continued beyond the end of January. Certainly, by imposing these controls the government has saved the consumers of Canada millions of dollars.

Some have cried very loudly—particularly members of the government of Alberta—about the great harm this has done to the oil industry. The fact is that the oil industry in this country in the ten months prior to the government's imposing the freeze had raised the price of crude oil by 37 per cent, or 95 cents per barrel. That increased their annual revenues by \$700 million per year. The government, when it imposed the freeze, was too late. Nevertheless, thank heaven somebody put it on. When I listen to the objections of some hon. gentlemen to my right, I wonder how long they want the public to be exploited by the oil industry which wishes to take advantage of the rising and ever higher prices in the United States.

As well, the minister proposes raising the export tax on oil going to the United States from 40 cents per barrel to \$1.90 per barrel. This is in keeping with the commitment he made to this House. When the legislation for the export tax is brought down, that tax will represent the differential in price between the Canadian price and the Chicago price, and this will be done in order to insulate Canadian consumers from the rising prices in the United States. There is an oil shortage in that country but there is no need for us to experience an oil shortage. The minister is proposing to raise this tax for December. I assume the legislation will give him authority to raise the tax at any other time when the differential increases and to reduce it when the differential declines.

As I listened to the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) complaining about this export tax, I wondered how many people realize that if the export tax had not been levied, the oil companies in this country would have made \$185 million a year extra by getting 40 cents a barrel more in Chicago for oil than they were buying it for in Canada, and that the government of Alberta, which has been protesting loudly about the export tax, would not have got a five-cent piece of that \$185 million.

Mr. Lambert (Edmonton West): That is where the hon. member is wrong. The government would have received royalties.