

once self-sufficient in oil, imports about 16 million barrels a day, and Canada, which ten years ago was exporting 60 per cent of its oil and 65 per cent of its gas, is a net importer of oil. Britain, where the Labour government started by buying 40 per cent of British Petroleum—ownership has been stepped up to 60 per cent for which they get government control over the oil industry while at the same time benefiting from the company's expertise, its technology, its managerial skills and sales outlets—is today for the first time in its history a net exporter of oil.

**Mr. Andre:** And it was a Canadian oil company which first found oil in the North Sea.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** So let us be careful before embarking on these ideological discussions. On the eve of an election the Tory party is psychopathic on the subject of Petro-Canada. They are psychotic about the whole idea of public ownership. They have spent most of the time in the last few days pimping for the oil companies.

**Some hon. Members:** Order!

**Mr. Andre:** Imagine that coming from a minister. You should be ashamed!

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** If I were doing the pimping I would be ashamed!

This bill, except for a few minor changes, is almost identical to the act to which assent was given in parliament on January 14, 1974, and which expired on June 30, 1976. The regrettable thing was that the legislation was allowed to expire. The other day the Minister of Energy, Mines and Resources (Mr. Gillespie) blamed the Conservative party for insisting on a sunset clause in that legislation. My feeling is that the Tories can make enough mistakes on their own without the Liberals attributing any of theirs to them. The Liberal government has got into a position now where, if anything goes wrong, it blames either René Lévesque or the Tory party.

There was no need for that legislation to have expired on June 30, 1976. At that time the government had a clear majority and could have brought in an amendment removing the sunset clause, or it could have introduced an energy supplies emergency act any time between June 30, 1976, and now. It ought to have done so, first because the situation in the Middle East is so unsettled, as it has been for a long time, and second because we are a signatory to a treaty under the International Energy Agency.

I was the only member of the Standing Committee on National Resources and Public Works who objected to Canada signing that treaty, and I object still because I believe the terms were most unfavourable to Canada. I agree with the principle, but the consuming countries certainly managed to do a hatchet job on the producing countries, of which Canada was one, when that treaty was signed. Nevertheless, having signed that treaty we entered into an obligation. If the decline in world production was seven per cent or more, a trigger mechanism went into operation and we had to be ready to put in an

allocation system within 60 days. But how can one put in an allocation system in the absence of necessary legislation on the statute books?

The other day the minister said this was important legislation, and I agree. But if it is important it should have been dealt with long before this, not when we are facing a crisis.

**An hon. Member:** A spurious crisis.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Let me say a word about the present situation. It is easy to become rhetorical on either side. We could talk about a great crisis and the drastic consequences or, on the other hand, we could talk in soothing terms and try to convince the public that all is well. The fact of the matter is that the situation created by the turmoil in Iran is serious in so far as that country supplies about six million barrels a day of the world's oil, on which Canada is dependent for from anywhere between 100,000 barrels to 125,000 barrels per day. It is a serious matter, but it is not a disaster, and we can cope if we have the proper mechanism. We must look at the matter in its perspective.

● (2120)

As a matter of fact, in some ways what has happened with respect to Iran and with respect to the diversion by Exxon of the Venezuela oil is a blessing in disguise because it has done two things. It has demonstrated, first, to the Canadian people the vulnerability of Canada's position with respect to its oil supplies. We had a crisis in 1973 and 1974, and all of us who were in the House at that time will remember the feeling of panic we felt because of the situation in the Middle East and because of a threatened boycott by the OPEC nations. All kinds of remedies were put forward and the government at that time took some measures to deal with the situation.

The hon. member for Oshawa-Whitby (Mr. Broadbent), my leader, pointed out last night that the New Democratic Party played a part in promoting and pushing for the implementation of some of the measures which were taken at that time. The President of the Privy Council (Mr. MacEachen) said that that version given by the hon. member for Oshawa-Whitby was not accurate. My leader said that history would bear him out. I am prepared to leave it to the historians, because anyone who takes the trouble to read the records of 1973 and 1974 will see that I myself, as the energy critic for the New Democratic Party, put before this House the measures which we were seeking. At the time we were asking for a phasing out of exports to the United States, a two-price system, the setting up of a publicly-owned petroleum company, and the construction of the pipeline from Sarnia to Montreal.

Hon. members who take the trouble to look up the record will find that that day, before a vote of confidence was taken, the Prime Minister (Mr. Trudeau) rose in the House, not the then minister of energy, mines and resources, and agreed to all those items, including the construction of the pipeline from Sarnia to Montreal. I would warn hon. members not to let any of the government members tell them that they wanted to do these things all along, because only a few weeks before that the