

Petroleum Products Controls

try, or in sheer blindness, they cannot see the fundamental question we are facing in this country. The hon. member for Nanaimo-Cowichan-The Islands pointed out the possibilities of a dual pipeline system so as to bring about some kind of competition between domestic oil and offshore oil.

Mr. McKinley: Capitalism.

Mr. Knight: The hon. member says "capitalism". I want to point out that the first word they forgot in terms of the oil and gas industry was the word "competition". I am referring to the creation of a situation in which the entire Canadian economy east of the Ottawa valley is not dependent on offshore oil supplies, and this is fundamental.

If we can create such a situation, we will not be trapped should the Americans find their supplies in the Middle East or other parts of the world tapped, and they continue to get a limited supply from other foreign markets and decide that they have to restrict the offshore oil which is going to meet Canadian needs, through their multinational corporations. So I believe it is in the public interest that we move into a two-price system as it relates to energy and that we move into an area of marketing agencies, as the hon. member for Yorkton-Melville (Mr. Nystrom) pointed out.

We should establish eventual ownership of all the pipeline systems and distributions in this country as an initial step in order to keep control of this movement. As a result of control of the pipelines we can bring an end to the ludicrous position of TransCanada Pipe Lines which, in all the years of its operation, has not paid corporate income taxes to the public treasury. The income of TransCanada Pipe Lines should not go to a privileged few; it should be used for the public interest.

From there we should move to the eventual position of complete public ownership of the gas and oil industry, in the public interest. The resources in the Northwest Territories and the Mackenzie region should not be confined to private industry and multinational corporations. People in the Northwest Territories represented by my colleague should have a say in the kind of development that takes place there, in terms of the relationship to large, multinational corporations. These corporations should be restricted. This should be done in the public interest. Exploitation of the resources should be carried out by public enterprise and a publicly-owned corporation.

I want to point out how this energy crisis relates to the ordinary people of Canada. In my constituency at present we have the culmination of the seeding season and every producer on the land needs gas and oil for his machinery. If we as Members of Parliament do not solve the energy problem in terms of the kind of price the producer will have to pay on the domestic market, the price for that commodity will continue to rise unendingly. It is not the only cost with which he is faced.

May I quote a few statistics. The cost of running a farm in the first quarter of 1973 was up over 10 per cent from last year, according to Statistics Canada. The farm input price index was pushed up by an 18 per cent increase in the cost of livestock, a 15 per cent increase in the cost of feeder cattle, and a 31 per cent increase in the cost of seed.

[Mr. Knight.]

Add to this major increases in the price of fuel which came this spring. Some farmers point out to me that it will cost them an additional \$400 or \$500 this year to operate their machinery.

The index of 100 in 1961 in respect of costs to eastern farmers shows an increase to 119.2 in 1970 in the cost of petroleum products compared to 125.8 for 1972. For western farmers rose to 113.5 in 1970 and to 120 in 1972, not including the increases since Christmas in their costs. The consumers of Canada who want cheap food will have to pay the ever rising costs of the producer unless we answer the fundamental questions related to energy costs in terms of oil and natural gas.

I believe that the program outlined by the hon. member for Nanaimo-Cowichan-The Islands on behalf of this party provides an approach to the energy question in our country which will ensure a reasonable price for both consumers and producers, and which will protect a steady supply of oil and gas to meet the needs of the Canadian people.

**PROCEEDINGS ON ADJOURNMENT
MOTION**

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

**NATIONAL DEFENCE—REQUEST FOR RETENTION OF THE
KILT FOR HIGHLAND UNITS**

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, I regret that the Minister of National Defence (Mr. Richardson) is not here this evening to hear my representation. I presume he is engaged on something which he considers more important. On April 10 I asked the minister if he would reconsider the decision to force the Highland units to give up their cherished kilts, and if he would reinstate the maintenance grants for Highland dress for those units. The minister gave the totally specious reply that "there is no regulation preventing the Highland regiments in the reserves from wearing the kilt".

The question, as the minister well knew, was about the cutting off of maintenance grants to Highland units. The people concerned are well aware that Highland units may continue wearing the kilt, the change being that the minister now demands that the troops involved pay for their own uniforms.

● (2200)

Since April 10 I have received petitions from the St. Andrews and Caledonian Society of Victoria, the Regimental Association of the Cameron Highlanders of Ottawa, and the Soltire Society of Victoria requesting the retention of Highland uniforms at government expense. There are some 4,000 signatures to these petitions, and I will be requesting permission tomorrow to table them. One is left to ponder upon the reasons for this move on the part of the minister. Highland units have been a proud part of the Canadian military for over a hundred years. I