## Western Economic Diversification Act

of an attempt by the federal Government to grab control of the marketing and developing of our potash. Yet it seems to me that in this deal negotiated between our Prime Minister and the President of the United States, not only the provinces but the federal Government, the country as a whole, will lose all ability to plan and develop our gas and oil resources, as well as our other natural resources, including potash. How these resources get developed, the rate at which they are developed, the prices we can charge, and how much we can export, are all given away in this agreement.

For a long time we in western Canada thought we could use our resources, such as our oil and gas, to overcome our disadvantages. The disadvantages are that we are far from major centres of population, so we have the extra expense of transporting. We generally have harsh winters so we have the extra expense of heating plants and equipment which our competitors south of the border in states like Alabama, Nevada and Arizona do not have. We have always attempted to use our advantages to offset our disadvantages, but in this trade agreement all of our advantages are taken away from us. We cannot use the advantages we have, the abundance of energy, for example, to overcome our disadvantages. What people like Mr. Blakeney and Mr. Lougheed fought for, we now lose.

I cannot understand the Conservatives from western Canada here in Parliament who support this agreement. I wonder if my colleague, the Hon. Member for Vancouver—Kingsway, (Mr. Waddell) can comment on that observation?

Mr. Waddell: Madam Speaker, that is a very important observation, especially when the Member says we should use our resources in western Canada, which we have in abundance, to overcome the disadvantages we have, such as our distance from markets and so on. Before I answer, I would like to point out something the Hon. Member said earlier about the cooperative approach. A lot of people in eastern Canada, when they look at the West, think it is the kind of Alberta hard-rock Conservatism which is western Canada. There are two elements of western Canada, two traditions. There is the kind of buccaneer free enterprising system, but there is also the cooperative tradition in western Canada.

When Tommy Douglas went into Saskatchewan, there was a drought and a depression. The place was a disaster. They rolled up their sleeves and worked together in a co-operative approach with Government and private enterprise. Western Canada is now the largest exporter of minerals in Canada, the largest exporter of lumber in the world, mainly through my Province of British Columbia, and the second largest exporter of wheat in the world, mainly through the efforts of the prairies. That was quite a job we did in western Canada since those years of the Depression.

We have to now look to the future. The Hon. Member made reference to oil. A lot of Conservatives do not want to see the national energy policy ever again, so they put it in the free trade deal that that cannot happen again. So Ottawa will not be able to take any of these measures to have any government control over energy. I find that incredibly short-sighted. Who is going to control energy? We are told the free market. One has to be a fool to believe that the free market controls world energy prices. They are controlled by OPEC, the middle eastern nations, or the seven sisters, the big oil companies, or a combination of both. Even the most right wing commentator in the United States will tell you that. Instead of allowing Ottawa to have some say in the control over the resource, they are going to let Saudi Arabia, New York or Washington have control over our energy resources. That is incredibly naive.

When I saw some of the evidence before the free trade committee, I could not believe it. As the Member opposite knows, I am not advocating total Ottawa control over the resource. I had the privilege, together with my Leader, to bring in a constitutional amendment that was accepted by the Trudeau Government and the country.

Mr. Shields: Was that the ownership, property rights?

Mr. Waddell: No, it was the ownership of energy resources in the province. The Member from Regina said that what is really important is that we have these energy resources in western Canada and we have to use them to diversify our economy. We should not give them away either totally to the federal Government or to the Americans or to the Saudi Arabians. We should not give that control away. That is the flaw in the free trade deal.

Mr. Shields: Madam Speaker, I would like to ask if this is relevant to the western diversification Bill before the House. We have heard this rhetoric before and we will hear it again, but I would like to suggest that he get back to the Bill at hand.

The Acting Speaker (Mrs. Cossitt): The Hon. Member for Vancouver—Kingsway (Mr. Waddell) is responding to a question and comment as a result of debate he has given previously.

Mr. Waddell: I do not want to monopolize the time if Hon. Members want to ask questions. Of course, I am responding to the Bill. The Hon. Member knows that. You must have some control if you want to diversify. Who is going to have the control—Ottawa, the West, a combination of both, or the Americans? You figure it out.

Mr. Shields: The owners of the resource, like Alberta, like Saskatchewan, like British Columbia. You don't like that, do you?

Mr. Waddell: Perhaps the Hon. Member has another question.

Mr. Shields: I won't ask him anymore.

• (1310)

Mr. Greenaway: Madam Speaker, the Hon. Member probably does not know, and it is not his fault, but last night in