

Adjournment Debate

The pipeline is now closed. In my respectful submission, consumers of the area have been ripped-off and this government, which is really the friend of the major oil companies, the banks, the large corporations and other industries has once again demonstrated that friendship. In conclusion, I suggest the government should reconsider its decision to allow the pipeline to close. It could be used to bring in other petroleum products from the west such as gasoline and so help this area, assuming that gasoline is more expensive here than in parts west of here to the detriment of consumers.

Mr. Speaker, I am not satisfied with the answer given to me by the minister.

Mr. Herb Breau (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, never have I heard such demagoguery so late at night. The hon. member made an unsubstantiated charge on March 5 and he has twisted his words tonight to justify what he said which was not substantiated.

As you will recall, Mr. Speaker, the supply outlook for the Montreal area and the whole of eastern Canada east of the Ottawa Valley line looked rather serious late last year as a result of the Arab oil embargo. The government then considered a number of emergency measures to ensure minimum disruption of supply. Because the threatened shortage would centre on the large Montreal refinery complex, and because the Ottawa area is normally supplied from Montreal refineries, one of the emergency measures adopted was arranging an alternate supply for Ottawa. This was accomplished by opening up an unused link in the Trans-Northern pipeline to enable the delivery of petroleum products to Ottawa from Toronto refineries.

By this means an equivalent amount of oil was freed for use in the Montreal area where the supply shortage appeared most imminent. The pipeline was restored to use for this purpose in December and used in January, February and March. Because the overseas supply situation improved early in the year, Trans-Northern pipeline deliveries never had to exceed 12 per cent of the Ottawa area demand in those three months. In fact, they constituted only 8.5 per cent and 5.4 per cent in January and March. Supply conditions now appear to be returning to normal and there are no plans to use this pipeline for delivery into Ottawa in April.

Analysis of the cost experience of the two principal oil companies using this pipeline shows that for one of the companies the cost of supply by this route was more than the product delivered from Montreal on which the Ottawa price structure is based. For the other company, there was a saving of less than one-half a cent per gallon on the volume moved by the Trans-Northern pipe line. When this saving is weighted into the company's total heating oil trade in the Ottawa area, the supply cost saving amounts to one-tenth of a cent per gallon, an insignificant fraction of the Ottawa price of 33.5 cents per gallon.

The department has concluded, therefore, that there is no substance to the suggestion that low cost western oil is being sold in Ottawa at an excessive profit. In closing, I would add this: for the hon. member to say the Ottawa consumer should not pay the cost of refurbishing the

[Mr. Baker.]

pipeline is something I cannot understand. I wonder who he wants to pay for it.

MANPOWER—OPPORTUNITIES FOR YOUTH PROGRAM—LEVEL OF BUDGET IN SUDBURY AREA

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I rise tonight to pursue a question I put to the Minister of Manpower and Immigration (Mr. Andras) on March 11 concerning the Opportunities for Youth program and the projected cutback for northern Ontario as compared with the rest of the province. I might say that the program has worked very well in my constituency and it has won the respect of the community. Sault Ste. Marie is one of the areas which pioneered the community advisory group.

With reference to the cutback in grants to northern Ontario I would draw the attention of the parliamentary secretary to the brochure prepared for applicants in 1974. On page four, this booklet states:

Preference will be given to projects submitted by young people who need assistance in financing their education, who are members of low income groups, ethnic or racial minorities, native people, handicapped or who are from isolated communities or areas offering few employment possibilities.

Despite this stated policy, Opportunities for Youth, under the Department of Manpower and Immigration program for 1974, is planning to cut the Ontario budget by some 14 per cent. Funds available to northern Ontario will be cut by some 33 per cent. My question is this: how can the minister justify such a disparity since northern Ontario meets all the criteria to which I have just referred to a greater extent than does the rest of the province? Regarding the financing of post-secondary education, I would point out that 70 per cent of the graduates from the north central Ontario high schools go on to post-secondary education and need summer employment; they need assistance in financing their further education.

● (2210)

With regard to members of low income groups, the per capita income in northern Ontario is the lowest in the province. With regard to the ethnic, racial minorities and native peoples, the percentage of the population composing these groups ranges from 25 per cent in the district of Algoma to 45 per cent in the Sudbury district. With regard to the criteria for those living in isolated communities, 50 per cent of the population in northern Ontario live in towns of under 20,000 population, with vast distances between them. With regard to few employment possibilities, the minister's own department in a job market report for northern Ontario predicts that there will be high unemployment for youth in the north this summer.

Despite northern Ontario exceeding the criteria, the greater budget cut for OFY will hit the north rather than the south. I ask, Mr. Speaker, where is the justice, where is the concern, for the young people of northern Ontario under this projected budgetary allotment? I suspect that the new formula for funding is to blame for this situation. This new formula, as I understand it, is based on two criteria: firstly, the number of young people in an area, which has a one-third weighting factor; and secondly, the job availability index, which has a two-thirds weighting factor. But, Mr. Speaker, the Manpower statistics for