

*Petroleum Products Controls*

Canadians. In order to accomplish this we must recognize certain fundamental factors. We must ensure that we can generate and attract the necessary investment capital for further resource development. Some of this will undoubtedly come from outside Canada, but there is no reason why we cannot ensure Canadian control where it really counts and Canadian equity participation to the extent that Canadians really want it.

● (2040)

We must ensure that realistic prices are paid for our energy products whether they are sold in Canadian or export markets, prices which reflect true commodity values. We need realistic transportation policies which will enable the economic movement of energy products to the market. We must as Canadians be prepared to benefit from imports where these are logical and, by the same token, we must be prepared to benefit from the export of energy resources surplus to our own requirements. What is needed are firm but positive policies to provide incentives for growth, opportunities for investment and employment of Canadians, fair royalties and tax rules, and stern but rational environmental controls.

[Translation]

**Mr. Rosaire Gendron (Rivière-du-Loup-Témiscouata):** Mr. Speaker, I think that this is a timely resolution. There is no problem holding the attention of the Canadian people as much as that of energy resources at the present time when answers are sought for sources of supply.

We note a deep concern about protection of environment. At times, coupled with regional conflicts of interests, both seem to be so incompatible that trying to undertake comprehensive planning in that field is an impossible task.

However, without pretending to be an expert and most humbly, it seems to me that if we make a survey of the problems which we must tackle, there is no possible solution without comprehensive planning of our national interests with respect to the development of those resources.

I was saying that the concern with environment seems to be such at times that it could be at the root of conflicts in the development of our resources.

I understand very well, if I look towards western Canada, that the citizens of British Columbia are worried about the transportation of crude oil from Prudhoe Bay, through Anchorage and along the coasts to Seattle. In fact, the residents of this province who face the possibility of ecological risks without any economic reward or any benefit suggest that this crude oil be transported in the way outlined in their book *The Way Out* which, incidentally, is very good. This means transportation by railway which appears to me very logical since there is the advantage of increased protection for the environment and also the possibility that building this railway from north to south could open access not only to countless resources but it would be possible to develop the whole province which, as we know, has a wealth of mineral, lumbering and other resources.

I may be qualified as utopian because I support this project but let us remember that when there was a propos-

[Mr. Balfour.]

al to build a railway from east to west the Prairies were then considered as an unproductive area and that after that, with the sense of vision and of risk of the pioneers, the Prairies became not only the world's granary, but huge oil, gas and potassium resources were discovered and today they benefit the provinces concerned and the whole country.

I say that this same concern of the people of Alberta who pleaded their cause by referring to the protection of the environment to get the oil out of the north as against through Valdez and their ambition to have oil and gas pipelines also seems to me very justified.

I think that these policies can be reconciled with the interest of the country and with those of the Americans. This was brought out and I think it is good to recall that Canada does enjoy a wealth of raw and other products that can be considered as energy sources such as uranium. In fact we have so much that finally we have a bargaining power with our wealthy neighbours to the south, a negotiation power that we should be able to use skillfully so that in North America we will be able to reconcile our interests for our development while keeping in mind that our first concern which is also included in the present resolution must be to serve the Canadian consumer in the best way possible. And I think that if we begin with this policy of wanting to serve the Canadian consumer, it is really possible to reconcile what we thought was impossible.

We know that the pipeline extends into Ontario. At the committee on National Resources and Public Works, I heard Mr. McKeough, Parliamentary Secretary to the Ontario Prime Minister, complain about the fact that being at the end of this pipeline was costing Ontario between \$70 and \$80 million a year. His province was doing that rather than taking advantage of imports. In fact, I asked him if he considered that this was the price to pay to protect the Ontario refineries and the petrochemical industry rather than remove the "Borden barrier", the Ottawa valley boundary, and extending the pipeline to Montreal, provided supply and demand came into play and the flow went both ways.

● (2050)

As long as we will be able to get foreign products at a better price, good for the Canadian consumer and good for our own resources as well. How are they endangered at this point? And are our markets not good and big enough that in fact we will only have to plan what we really want to sell, in the interest of manufacturers, of Canadians and of those who will be our customers? But even with this first concern, we must not forget Canadians.

I see the Minister of Environment (Mr. Davis) in the House, and recently I heard him say that he would have the same concern for both eastern and western harbours as far as environment is concerned. I say to the minister that we must agree on this policy and this concern for environment. However, there is quite a difference between ships that would come to get a product in Anchorage or Valdez to go to Seattle, and a sea harbour in the St. Lawrence Valley that is built to accommodate the new generation of ships and develop all our territory. A child could see that difference. We must agree on the same