

Canada will face serious problems in financing the level of capital expenditures now required for energy development. This will mean an increasing short supply of capital for Canadian agriculture, further difficulty in exporting farm products and more competition from other countries' imports. Comparisons of the potential ability to produce food and the potential market for food should provide a little insight into the market strategies for Canadian agriculture. Here are some selected countries, indicating the arable acres per person. The average in all of Asia and all of Europe is 12 acres per person. In the United States it is six acres per person, in the Soviet Union 40 acres per person, and in Canada 80 acres per person. These figures are taken from the FAO production year book, 1971. Canada has the best land to population ratio in the world. We have the capacity to produce more food per person than any other country in the world. Does the government have any long-range plans to capitalize on all our assets? Right now there is a build-up of idle ships all around the world because of fuel bunkering problems. Surely Canada should advertise that ocean shipping would be welcome here and assured of bunker fuel. This would be the best public relations job we could do for our country. Yet I have heard nothing along these lines.

● (1650)

Market strategies designed to take advantage of Canada's agricultural ability must be based on benefits to Canadian farmers rather than the extent to which the rest of the world needs our production. On humanitarian grounds we may have a moral obligation to assist in feeding the hungry world, regardless of the ability or otherwise of a particular country to purchase. It should be appreciated, though, that this obligation falls on all Canadians, not just on food producers.

What we face today, as I see it, is not an energy problem; it is a transportation crisis. It is one which brings into question the competence of the government. How can we believe the government is sufficiently competent to deal with energy problems when for years it has been unable to come up with regulations regarding procedures to be followed by the oil industry in the north in areas under federal jurisdiction? Nothing in the bill will produce one more gallon of oil or the 35 gallons to make one barrel. Instead of going beyond the communist manifesto as the Prime Minister (Mr. Trudeau) says, let us show a few international good manners toward our friends to the south and a few good manners toward the provincial governments.

What will happen to agriculture around the world if the price of oil rises to the price just posted by Iran—over \$17 a barrel, or settles down to \$10 a barrel? I have seen no projections put forward by the government. Between 1961 and 1971 farm costs in Canada rose 47 per cent during a period of stable energy resource prices. It is suggested that farm costs will probably rise by 40 per cent over the next ten years due to increased energy costs alone. Couple this with a general condition of capital shortage, high credit costs, increased farm wages and land prices and we can expect a minimum increase of 90 per cent in farm production costs. What plan has the government to offer to meet the situation in agriculture and rural Canada in the next decade? As a first step, I suggest a much greater degree of

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federal assistance in assuring alternate energy sources to maintain the scientific agriculture we presently enjoy.

As I said at the beginning of my remarks, this statute is one more step in a game more easily begun than ended. It is no substitute for sound economic management carefully conceived and consistently executed. Trying to remedy the situation along the lines the government is now suggesting will turn out to be more costly and unsettling than any preventive program which might have been adopted a few years ago when the problem was first recognized.

It seems to me there are plenty of federal government agencies in existence right now which could deal effectively with the current situation. Canadians are concerned about attitudes toward energy and energy development. The petroleum industry must be encouraged to press forward with the job it knows best how to do, that is to say, finding, developing and processing petroleum products and bringing them to Canadian consumers. Ottawa should be consistently strengthening the idea of Canada as a nation. But the approach taken by the government toward national policy in the field of energy, as in other matters, is leading to disaster.

Mr. Stan Schumacher (Palliser): Mr. Speaker, this debate on second reading of Bill C-236 has been going on for a number of days now and during that time we have seen some changes in the over-all situation. It appears that the energy situation is an ever-changing one. We heard the speech made by the Prime Minister (Mr. Trudeau) on December 6. That speech certainly produced some new factors for our consideration. Sometimes I thought, after listening to that speech, that the Happy Hooker might have some trouble proving her status as an authority on prostitution.

I feel I must echo the comments made by others who have taken part in this debate: we have not been facing an energy crisis in this country but, rather, we are facing a problem related to transportation. If we follow the policy advocated by the minister of energy and by the Prime Minister, we are likely to be in deep-freeze for an extended period because we shall lack the energy to meet our energy requirements. The figures show that today Canada is 118 per cent self-sufficient in energy. In face of that figure, how anyone could say there is an energy crisis today is beyond my comprehension.

We have heard a few elements of a so-called policy disclosed from the other side. It was announced in September that there would be a voluntary price freeze beginning September 4. The statement was made in response to an increase in the cost of living figures and was not related to the Arab-Israeli war which began a month or so later. However, since that day the government, in its wisdom, decided to extend the so-called voluntary freeze until the end of the winter, whenever that may be. The way the government operates, we could be in for a freeze on oil prices for a very extended period and this, I can only suggest, will hurry along the day when Canada becomes a dependent country rather than a surplus country as far as oil is concerned.

Speaking about freezes, I note that the policy of the NDP is to support the government in extending the freeze beyond January 31. This was the main prize for which the