

1. The oil industry will be asked to refrain from making further price increases affecting Canadian consumers before January 30, 1974. This price restraint would apply except where, to the satisfaction of the Minister of Energy, Mines and Resources (Mr. Macdonald), the increase in the cost of imported crude oil warrants a Canadian price increase.

2. The government intends to seek a control mechanism whereby higher prices in the U.S. market would not automatically increase prices at home in Canada.

3. The government will also hold early consultations with provinces and industry on the extension of pipeline facilities so as to enable Canadian oil to be shipped into Montreal. At a time of rapidly escalating international prices, this would put Canadian oil into competition with international oil and would give additional security against international disruption of supply.

In the meantime, the Minister of Energy, Mines and Resources, with the co-operation of the Minister of Transport (Mr. Marchand), was setting up additional means of transportation to provide adequate supplies to the residents of Quebec and the Atlantic provinces, either through the re-opening of the pipeline between Toronto and Ottawa which had been closed in 1962 or through the St. Lawrence Seaway from Sarnia to Montreal, until the closing of the latter, or by rail, truck or tanker from Vancouver to Montreal, the latter going through the Panama Canal. In December 1973, the Prime Minister announced further measures such as:

1. The creation of a unique national market, the effect of which will be to abolish the "Borden Line" or "the Ottawa Valley Line".

2. A pricing mechanism to provide sufficient incentives for the development of oil resources.

3. Measures to ensure that any escalation in returns and revenues as a result of any higher prices will be used in a manner conducive to security and self-sufficiency.

4. The early completion of a pipeline of adequate capacity to serve Montreal and, as required, more eastern points.

Mr. Speaker, the federal government recently announced the extension of the pipeline between Sarnia and Montreal, the construction of a second pipeline on Canadian soil, namely between Winnipeg and Montreal.

In January 1974, Parliament passed the emergency legislation on energy supplies.

As far as prices are concerned, consumers east of the Ottawa Valley Line have to pay a little more for their oil products. But following the Energy Conference held in Ottawa on January 22nd and 23rd at which the Federal government and the provinces agreed to hold a voluntary temporary price freeze on oil coming from Saskatchewan and Alberta, assurances were secured that the Federal government would protect the five Eastern provinces which have to rely on off-shore oil against the substantial increases they would have to face after February 1st, 1974.

The Federal government then agreed to maintain the price differential and assured Eastern residents that their prices would not increase on February 1st and that at the end of the voluntary freeze period in two months time prices would be even across the country, with allowances for freight costs. Then the Federal government will make substantial grants available to Eastern provinces so that costly off-shore oil will fall back to the same price as cheaper Western oil. The Federal government has resumed its talks with the oil producing provinces with a view to

The Address—Mr. Clermont

reaching by March 31, 1974 a consensus that will benefit all Canadians.

Mr. Speaker, on August 3, 1973, the Federal government announced a new feed grains policy to be implemented in two stages. The first would be a concrete program for 1973-74 dealing with price parity between Eastern and Western Canada, and adequate supplies during the winter months. With respect to supplies, due to various circumstances, feed stocks in the province of Quebec in this period are far from being adequate, and I seriously wonder if groups and organizations would not be interested in seeing that program fail. We know that when that program was announced there were rather violent reactions to such a project. I urge the minister responsible for the Canadian Wheat Board (Mr. Lang) as well as the Minister of Agriculture (Mr. Whelan) to make sure of that.

In another sector of agriculture, the Canadian Federation of milk producers has submitted to the federal government a series of requests to ensure these producers the incomes required to supply Canadian consumers with the dairy products they need, and a fair return for their work, their investments and their management skills. I hope, Mr. Speaker, that the cabinet will seriously consider these requests and that the Minister of Agriculture, when he announces the government dairy policy for 1974-75, will also announce a substantial increase for industrial milk producers.

In going through the main estimates for the fiscal year ending on March 31, 1975, I note, in the estimates of the National Capital Commission, that an amount of \$8 million will be spent on phase 2 of the highway network development in the national capital area north of the Ottawa river, that a further amount of \$3,500,000 will be spent on sewers and \$500,000 on public transportation.

The first two amounts are part of the comprehensive plan that the right hon. Prime Minister of Canada and the Minister of Transport had announced in 1969 and which will be carried out across the Ottawa river in the next 25 years.

As you remember, a general agreement on the improvement of the highway network on the Quebec side of the national capital area was reached on January 7, 1972, between the province of Quebec and the federal government, listing several projects to be carried out over a few years, such as the building of a bridge over the Gatineau river, the widening of Gréber Blvd. from Maloney Blvd. in Gatineau to Archambault Blvd. in Gatineau Point, and the development of a limited access expressway from highway 8 in a south-west direction to the Gatineau river, as well as expressway A50 from Aylmer to Masson.

Mr. Speaker, I urge the parties who are negotiating the construction of this highway between the bridge on the Gatineau River, presently known as the "Pont des Draqueurs", and Highway A5, to get this project under way soon so that the people living east of Pointe-Gatineau who have to go to Hull and Ottawa can use it and relieve the traffic on Gréber Boulevard at peak hours.

Regarding the \$500,000 contribution for public transport, it is to be linked with the agreement reached last fall between different government levels and agencies to