

## ORAL QUESTION PERIOD

[English]

## ENERGY

NATURAL GAS—ASSURANCE OF SUFFICIENT SUPPLY FOR  
BRITISH COLUMBIA CONSUMERS THIS WINTER

**Hon. Robert L. Stanfield (Leader of the Opposition):** Mr. Speaker, I should like to address a question to the Minister of Energy, Mines and Resources. I hope he is in a position to give the House specific answers with regard to fuel supplies for the coming winter. Can the minister now answer the question I asked him on September 21? Has a way been devised to avert the possibility of a cutback in supplies to gas consumers in British Columbia? When I asked that question on September 21 the minister said that he expected to be in a better position to respond in a couple of days. Can the minister respond today?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Yes, Mr. Speaker. The National Energy Board has taken as a matter of priority the securing of alternate supplies of gas for the West Coast Transmission system in lieu of those lost in British Columbia because of the structural fault in the field.

The West Coast Transmission Company, at the urging of the board, has carried on negotiations with Alberta gas suppliers for access to Alberta gas supplies, both in the northern part of the province and in the southern part as well. I understand that those negotiations are now in progress between the companies. The position we take is that until the situation is clear with regard to alternate supplies we would not move to take action to curtail.

In addition, some of the British Columbia distributors, particularly Inland, have been in conversations with their customers to discuss the arrangement of alternate supplies where dual burning facilities are available to industry within that province. Indeed, the Chairman of the National Energy Board is meeting this afternoon with the Chairman of the British Columbia Energy Commission for the purpose of clarifying the current state of negotiations for alternate supplies and to discuss further steps that will be taken.

● (1440)

**Mr. Stanfield:** I gather that the situation is still in doubt.

OIL—SITUATION RESPECTING SUPPLIES FROM MIDDLE  
EAST AND CARIBBEAN

**Hon. Robert L. Stanfield (Leader of the Opposition):** Can the Minister of Energy, Mines and Resources tell us what contingency plan he has ready in the event Middle East supplies of petroleum to Canada are interrupted?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, depending on the nature of the commodity and the type of interruption, there are at the moment reserve supplies of between 45 days for crude oil and products to over 100 days for home heating oil. Arrangements have been made to call a further meeting of

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the industry in Canada, particularly the industry operating in eastern Canada, to discuss their present arrangements for supply from overseas in the face of a possible Middle Eastern interruption. I would hope that meeting could take place on Friday but at the moment a final date has not been confirmed. I think it will depend very much on the exact arrangements each company has, to be able to predict the contingency arrangements we should have.

**Mr. Stanfield:** Mr. Speaker, I am surprised that although the minister has apparently been worried about supplies from the east for years he has not had this kind of meeting previously. Can the minister tell us what the status of heating oil for the winter is with regard to supplies normally delivered to Canada from Caribbean refineries?

**Mr. Macdonald (Rosedale):** Mr. Speaker, I have responded several times in the past on this question that, because of the tight supply internationally of these commodities, Canadian purchasers of home heating oils have not been able to secure the same supplies overseas as in past years. It is for this reason that I took the initiative in mid-summer of obtaining assurances from all of the major importers and refiners that supplies were adequate. Until the potential interruption—there has been no actual interruption in Middle East or other supplies to Canada—we have the assurance that while it would be a narrow balance there would be adequate heating oil supplies for this winter. I think one of the questions that we will want to canvass with the companies is what, if any, effect the events in the Middle East in the last ten days have had upon those assurances earlier this year.

**Mr. Stanfield:** You have not canvassed them yet? Oh, oh!

NATURAL GAS—SUPPLIES FOR BRITISH COLUMBIA  
CONSUMERS—REQUEST FOR ASSURANCE THAT CUTBACK,  
IF NECESSARY, WILL BE MADE IN EXPORT

**Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources. In view of the statement reported this morning to have been made by Mr. Ronald L. Cliff, Chairman of Inland Natural Gas Company, Limited of Vancouver, who seems to be much less optimistic than the minister about securing alternative sources of supply for the gas consumers of British Columbia, can the minister give us a clear and unequivocal statement to the effect that if a cutback is necessary in gas consumption in British Columbia this winter it will come out of the 70 per cent of British Columbia gas which is exported to the United States and not out of the 30 per cent which is absolutely essential to meet the needs of the people of British Columbia?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, I cannot be specific on a hypothetical question like that. The priority which we have given to the National Energy Board is, of course, to see if alternate supplies can be arranged, as I indicated to the Leader of the Opposition. I do not know what Mr. Cliff said, but the advice I have from the board is that there is