

*Petroleum Products Controls*

**Mr. Deputy Speaker:** Before I recognize the hon. member for Waterloo-Cambridge (Mr. Saltsman), I will recognize the hon. member for Qu'Appelle-Moose Mountain on a question, since the minister has much time remaining for his speech.

**Mr. Hamilton (Qu'Appelle-Moose Mountain):** Do I understand that these reports or papers on energy policy will not be available until near the end of June?

**Mr. Macdonald (Rosedale):** Mr. Speaker, I cannot really be certain of this because the matter is now beyond my control, in the sense that the translation and the printing of the documents are now in process. I would hope they would be available within the coming month, but I cannot be precise as to time.

**Mr. Hamilton (Qu'Appelle-Moose Mountain):** I wonder if some of the staff would leak me the documents ahead of time, just as they leaked the one to the hon. member for Nanaimo-Cowichan-The Islands.

**Mr. Macdonald (Rosedale):** Mr. Speaker, I would have to insist that if there are to be any leaks that they be in both official languages.

**Mr. Douglas:** Mr. Speaker, the minister talked about moving the Ottawa Valley line east or west. My suggestion was that, rather than doing that, we should remove the line altogether so that off-shore oil, if it is cheap, could come further west, and western oil if it is cheaper could come east by extending the pipeline to Montreal. Is this aspect being studied by those who are preparing the national energy report?

**Mr. Macdonald (Rosedale):** In general terms, the question is debated. This is one of the factors I would like to be specific about because the hon. gentleman talked at some length about it. This concerns the security of supply situation so far as opening up the market at some future date to full imports is concerned.

While we have a present tightness in the international supply situation this is not, as several speakers suggested, because there is not a very strong base of supply in the ground or available in the producing countries, but rather is due to shortcomings in the producing system and in the transportation system. It is conceivable that we would move from the present situation of tight supply to one where there would be significantly full supplies. One of the considerations we have to bring to bear would be, if we opened up the full Eastern Canadian market, the Toronto as well as the Montreal market to off-shore imports, the effect this could have in backing out western feed stock from these areas and thereby creating a larger problem of insecurity with respect to supply. This is one of the concerns we would have to take under consideration before following the hon. member's suggestion.

**Mr. Max Saltsman (Waterloo-Cambridge):** Mr. Speaker, I am just wondering if there is some significance in the fact that all these leaks have been taking place since we established Information Canada.

The matter I should like to raise with the minister is one that I raised earlier this afternoon during the question period about bringing pipelines and national gas and oil

[Mr. Macdonald (Rosedale).]

policy to parliament. It is becoming quite obvious that this is a political question. I do not think any better statement on its obviousness could be made than that made by the minister this afternoon. It is not a technical question. Every speaker who has talked about the problem of gas and oil in Canada has highlighted the point that some kind of political solution is required if we are to have a new national policy.

I agree with what the minister said when he indicated that the old national policy has served us to some extent up to a point. But the basis on which that policy was created has gone. It was created to take account of the fact that Alberta needed a guaranteed market for its out-put at a time when the United States would not take any oil at all, or was very reluctant to take any. I think it is a credit to the administration in power when the national oil policy was formulated that it was able to get such a deal for the country. In those days it looked as though the problem was going to be one of a surplus. Therefore, the solution was to get rid of supplies. Perhaps the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) may have been somewhat more prescient than others in foreseeing that there was going to be a shortage, but in those days all the talk was about getting the oil out as rapidly as possible.

That day is over. Therefore, we have to take an entirely new look at the situation. As I say, it is a political question. The hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) asked: to whom does the oil belong? He and the rest of us are socialists. Therefore, we say the oil belongs to Canada. We are talking about a national responsibility, a national obligation for sharing. In very sharp contrast, both the statements of the minister and of the hon. member for Qu'Appelle-Moose Mountain show their conservative tendencies. It would not bother me as much if, in fact, Alberta was getting that much benefit from the oil industry. But what often seems to be the case is that Alberta is running interference for the private corporations, and the maximum benefits are not going to the people of Alberta but to the major international oil companies. This is a pretty unhappy situation.

It is facile to say that people in Ontario are now raising this question because oil is in short supply and therefore they are interested in getting cheap oil from western Canada. The hon. member for Qu'Appelle-Moose Mountain summed it up by saying, "Get Ontario off our backs." Did he say that ten or 12 years ago when he brought in a national oil policy which has cost this country, Ontario and all the consumers of Canada, something like half a billion dollars a year for gasoline, or 5 cents for every gallon sold in Canada? It worked two ways. The price of western crude was more expensive than the international price, and the people in Montreal were paying higher than the internationally posted price. The price in Montreal was somewhat lower than that of western crude, but the fact remains that it was not the international price. Every country in the world, France, Germany and England, were paying less for crude oil, less taxes, than Canada. Canada was paying a premium price not only for its own oil but for the crude it imported, because that was the pricing policy of the international companies. They based the price at Montreal on the cost of bringing western crude by