

further large increases in exports to the United States, and the government acquiesced. Hopefully, some time in the future this will result in further oil supplies from conventional sources being available.

The other thing that we foresaw was that as the world price rose at a tremendous rate the oil companies would make a fantastic windfall profit if the government did not step in to create a two-price system. We demanded that an export tax be put on crude oil so that, while the Canadian price in western Canada would be frozen, the difference between the domestic and export price would not fall to the oil companies but would fall to the federal government in the form of this export tax. We agreed that the producing provinces should be compensated for the loss in royalties that they suffered because of this export tax, and we said that surplus funds accrued through this export tax should be used to develop oil resources in the producing provinces.

We also demanded a continuation of the price freeze. As I said earlier, Mr. Speaker, we have a price freeze on oil in western Canada and a voluntary freeze in eastern Canada. Of course, as the cost of imported oil increases there has to be some adjustment to the price in eastern Canada. I will have more to say about that later because I am rather suspicious of the way in which that price has been adjusted. But, as I say, there is no reason why domestically produced oil should rise to the inflated world price, and on behalf of the Canadian consumer we demanded that this price freeze be maintained. Finally, the government acquiesced.

Much earlier in the year, in fact in previous years, we also demanded an extension of the oil pipeline to Montreal in order to bring western Canadian oil to the eastern market. That extension would guarantee us security of supply. But we wanted something else. We wanted a reversible pipeline so that we could have true competition between the two energy markets in Canada. Without the concept of a reversible pipeline we would have another protected market. That was the case under the old oil policy, and the oil companies had a field day so far as price was concerned. If we had a reversible pipeline, and if for some reason supplies of oil from discoveries off the Atlantic coast became less expensive than other Canadian oil, then we could have true competition, and the consumers in western Canada would benefit because the producers there would have to market their oil at a competitive price.

We also asked for an ending of the Ottawa valley line which prohibited oil from coming into Canada from any other source. In the light of the growing crisis in supply, the government recently announced the removal of that line.

We asked for a national petroleum company. To me, it is very strange that countries like Italy and France can have highly successful petroleum companies working in their interests, and in fact working very successfully in western Canada, engaging in exploration and production there. How many people realize that the French have a very successful well in western Canada, and also are doing exploration work off the Atlantic provinces? The proposed national petroleum company should get into the oil market and start regulating all aspects of the industry in

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Canada. Here, I am thinking not only of exploration but also of production, distribution, marketing and retailing at the wholesale level. It seems to me that the best way to do this would be for the government to take over one of the existing multinational oil companies, thereby acquiring the expertise and the reserves in the ground, and through the national petroleum company sell oil at a price slightly above cost, a price from which the Canadian consumer could benefit. As a result, all other oil companies in the country would have to sell at that government price.

In addition to a national petroleum company, we also need to undertake development of the oil sands at Athabaska in Alberta, where there is a huge reserve of oil. We do not have to worry about exploration costs. The oil is there, and we know it is there. The technology has been developed. It is economically feasible to mine those oil sands. But here we are at a point where it seems to me the Alberta government, and to a large extent the federal government, are again willing to let private industry have a free hand with respect to this valuable resource. If we allow that to happen we shall be committing the same mistake that we committed a decade ago in 1961, when we did not have the kind of planning to protect the public interest that was necessary in deciding on a Canadian oil policy.

What I am saying is that because of NDP demands, because of our position in holding the balance of power in this parliament, we have forced the Liberal government, although reluctantly, into a new direction with respect to energy policy, a direction that will require public involvement, and into an acknowledgement that there is a fundamental role that the government should be playing, a role to protect present and future consumers of oil produced in this country. I think to anyone with an unbiased mind this has been a very positive role that our party has played.

● (1540)

I listened with interest yesterday to the Conservative motion of no confidence, and the speeches of members of the Conservative Party deriding the government for having a vacillating, inconsistent and incompetent energy policy. That sounded to me very much like the Conservative policy, or lack of it, itself. If anyone has been vacillating as far as energy is concerned, it has been the Conservative Party. They admit that they have no energy policy. They hope that Santa Claus will bring it to them for Christmas, although I hear it is already in its fourth draft. It seems to me that they are having problems with their cowboys from Alberta, their oil interests and other members from the consumer oriented parts of Canada.

The Conservative party has also been quite inconsistent in proclaiming recently that they wanted the pipeline extended to eastern Canada as far back as 1969, and they trot out the Niagara policy convention. I thought that resolution was buried very deeply in that thinkers' conference. It was not taken seriously and indeed during the last federal election campaign when it came, time to announce their platform about extending the pipeline we found that that resolution was watered down to such an extent that they would only "consider the advisability of extending the pipeline to Montreal".