

oil and gas exploration in foreign jurisdictions, mostly in the United States and the North Sea.

Three years ago, Mr. Darling, 44, decided to curtail his Canadian activity. Today, through a wholly-owned subsidiary, Concept Resources Inc. of Billings, Montana, he has shifted virtually all active exploration to Montana, Colorado, Washington and New Mexico.

"What I wonder is why other companies are staying in Canada," he says, adding he is convinced that other Canadian-based companies will follow his example. Government policies in Canada are taking away the incentives, whereas in the U.S. "I see nothing but roses".

Premier Lougheed has said it is critical we should realize that the life index of conventional oil and gas reserves is rapidly declining and that the rate of new discoveries of crude oil and natural gas has declined. Little success has been experienced in finding new oilfields in Alberta, the northern territories or offshore of the Maritimes. Unfortunately, recent federal actions have probably set back the discovery and development of alternate natural gas reserves in the Mackenzie Valley basin.

Mr. Paproski: Shame.

Mr. Schellenberger: If it were not for the Alberta oil sands, or tar sands as they are sometimes called, the long-term Canadian oil supply position would be a poor one. The Alberta oil sands contain reserves of enormous potential provided we do not delay their development. Again, I say it is vital that we should not drive away funds for the development of oil supplies in Canada. We must remember that even if it begins operations now, Syncrude will not produce until 1978 at the earliest. We must bear in mind, also, that it will not be possible to get further supplies of skilled labour and special equipment for at least two years, and that even when oil begins to flow from the tar sands, some time in the 1980s probably, it will likely be restricted to about 125,000 barrels a day.

I would point out that in 1959, 1969 and again in early 1973 the government of Alberta attempted to persuade the federal government that a pipeline to Montreal was and is in the national public interest. The response to this suggestion has in the past been negative. If the Montreal pipeline were in operation today, shortages of energy in eastern Canada could be eliminated. If we wish to become self-sufficient while at the same time maintaining our market in the United States, present requirements call for between 600,000 and 700,000 barrels a day.

To meet this demand, four or five new plants are immediately required so that the crude may be extracted from the tar sands in the necessary volume. This will mean not only heavy financial investment but the provision of a satisfactory social structure in the areas to be developed. The tar sands are some 200 miles north of Edmonton. Each plant will require at least 1,000 people to operate it. These people will need to be housed in the area, and it is difficult to expect a small community to provide newcomers with the facilities which they probably enjoyed in other areas where they had been living. Recruiting staff will not be easy, in any case. People with suitable qualifications are already employed in one sector or another of the oil industry. Before they would consent to work on a new project they would require an assurance of wages at least equal to those they have been getting, and probably higher.

Energy Supplies Emergency Act

These are my comments on Bill C-236. I hope that in committee we shall make the amendments which are necessary.

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I wish to address the House for a few minutes today on predominantly one aspect of the bill before us—an aspect which has largely been overlooked in the debate thus far. I am not suggesting it has been overlooked because hon. members on the government side do not share my concern about the threat to environmental law which is contained in one of the clauses of the bill. I am surprised, though, that although this debate has gone on for some days, during which time a number of government supporters have taken part, none of them has addressed himself to what in my view is one of the most dangerous and probably one of the most unnecessary clauses in the measure. The Prime Minister (Mr. Trudeau), speaking in the debate some days ago, did refer to the environment but only in the context of hastening the construction of the Mackenzie Valley pipeline.

I do not want to go over the bill clause by clause or anything like that—

An hon. Member: Go ahead; the speaker won't mind.

Mr. Fraser: —but I think it is important we should keep in mind clause 24, which is headed "Environmental Considerations". What is the effect of this clause? What it does, basically, is authorize the government, through a board it proposes to set up under this bill, to override all environmental law in Canada.

Mr. Paproski: Shame.

Mr. Fraser: I urge all hon. members, especially those on the government side, to ask themselves whether, in the first place, this provision is necessary. Second, if it should be necessary in some circumstances, is it necessary to hand these sweeping powers to a board of officials and then sit back and watch those officials go to the cabinet and say, "These are the regulations we require in order to override environmental law"? After all, as I said in the House a few days ago when putting a question to the Minister of the Environment (Mr. Davis), all members of this House, as well as our colleagues in the provincial legislatures, have worked for a good number of years to build up in Canada a body of environmental law which will start to cope with the very serious and complex problems relating to the environment with which we are faced in this country. These are serious problems. We have to extract from the earth our minerals; we have to take trees out of the forests; we require hydroelectric power and resources of gas and oil. We also have to build highways and ports and transship goods from one part of the country to the other.

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Because we have to do all these things, and because all of them infringe to some degree or another on the environment, we have during the last few years, though admittedly belatedly, begun to pass laws which give us the capacity to cope with the problem. The problem, very simply put, is that we have built up a high standard of living and way of