

statements originating from government leaders in the provinces of Alberta and Saskatchewan and from right here in Ottawa. I suggest the time has passed when recriminatory statements, regardless of their source—and I do not suggest that the minister is solely responsible in that regard—serve any useful purpose. Such statements make no contribution to resolving our problems.

I further suggest that the legislation we are considering here, encompassing as it does a massive assault on what have hitherto been considered exclusive provincial prerogatives, will inevitably lead, if allowed to pass in its present form, to further bitterness, confrontation, and to the disastrous supply crisis referred to earlier.

Surely it is not beyond the ingenuity of the minister, his colleagues in cabinet and his officials, to develop by the process of negotiation a consensus with the provinces, a consensus that will lead to a restoration of that atmosphere of confidence and entrepreneurial spirit which, during the years following the Leduc discovery, resulted in creating in Canada the potential capacity to become self-sufficient for decades to come in oil and gas supply.

I listened yesterday with amazement as hon. members from the Province of Quebec derided the comments made by my hon. friend from Qu'Appelle-Moose Mountain concerning the attitude of provinces other than Saskatchewan and Alberta with respect to the constitutional confrontation that the federal government seems hell-bent on creating. I say I listened with amazement, Mr. Chairman, because on November 12 last I listened to a speech delivered by Mr. Guy Saint-Pierre, the Minister of Industry and Commerce in the Liberal government of the Province of Quebec, and I would like to quote for the benefit of those hon. members opposite some of the things that Mr. Saint-Pierre had to say on this very question we are discussing today. He said, and I quote:

In 1974—at these crossroads at which the Canadian state finds itself—Quebec supports the claims of Alberta. After all, we consider it as a fundamental principle of confederation that a province has the exclusive and ultimate right to dispose of its natural resources as it sees fit and to take the necessary steps to organize its industrial development unhindered by external pressure. If we do not live up to such a principle, it does not appear to us in Quebec that confederation can be maintained for very long.

He went on:

Having said that, it will not shock you to hear that the centralizing tendencies of Ottawa in the area of the distribution of these resources and the revenue sharing which flows from it, do not appeal to the Quebec government. In fact, we abhor them.

Having watched closely the attitudes and policies of the Ottawa government, we have concluded in Quebec that for some reason or other the federal government wants to circumscribe provincial initiatives insofar as the distribution of energy resources and the use of the revenues derived therefrom are concerned.

Later in his speech, Mr. Saint-Pierre went on to say:

We sometimes have also wondered in private whether the federal government has not accepted the objective of limiting provincial involvement in resource development in order to give to itself the time to establish a strategy of partial nationalization of the resources.

We said it privately, as I pointed out. But I wonder if our doubts have not been confirmed. Quebec wanted to become a shareholder in Panarctic Oil. The federal government has decided that we have not the right to do that on the grounds that there could emerge a serious conflict of interest.

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Having said all this and after having consulted widely and wisely, the Quebec government accepts the position of the governments of Alberta and British Columbia.

Mr. Saint-Pierre went on to say:

Federalism must be more flexible. Mr. Trudeau endorsed the need for this flexibility at the opening of the energy conference in 1973. However, recently he seems to have acted as if he had come to reject this principle which demands interprovincial consultation and federal-provincial agreements freely entered into.

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I say to hon. members opposite that Mr. Saint-Pierre's excellent speech deserves careful study if we truly want to understand the attitudes and aspirations not only of the people in the producing provinces in western Canada, but of the people in all of Canada.

I suggest to the minister through you, Mr. Chairman, that he is in real danger of making a serious and tragic miscalculation concerning the mood of the people of Canada in respect to their historical provincial prerogatives and attitudes to confederation. I suggest that the minister reconsider his present determination to usurp to the federal power the unilateral price fixing mechanism embodied in the legislation before us.

I have listened carefully to what hon. members opposite have had to say about this legislation and about energy policy generally, and there have been many interesting views and opinions put forth. But instead of opinions I invite members opposite, and the minister, to reflect on a few facts. Nine hundred million dollars have been carved out of oil exploration budgets for 1975. In a report published today, Statistics Canada predicts that a reduction in exploration expenditures of \$800 million will result in the loss of 54,800 jobs for one year, and a sales decline of \$973 millions in other industries through spin off effects.

The Minister of Energy, Mines and Resources and his colleagues in government must shoulder their share of the responsibility for these results, results which, I suggest, it is not exaggeration to describe as catastrophic. We have finally arrived at a point where the industry's calculations regarding future supplies and proven reserves of oil and gas approximately match those of the government's own National Energy Board. Instead of responding in a positive fashion with policies of encouragement and incentive, designed to ensure that the industry will be able to provide for the future, the government has created a situation so intolerable that industry is taking flight.

I feel genuine concern—and I hope my remarks reflect that concern—for the Canadian consumer who will be most affected by a prolonged federal-provincial conflict over the resource industry. Negotiation, conciliation, consultation and co-operation between the two levels of government has always been a policy of my party and, indeed, of the minister's own party. Damage to the intricate workings of the delicate balance of our confederation that has taken decades to achieve would be tragic and possibly irreparable if the government continues on its present course. It is not just the interest of the producing provinces that is at stake; rather, clauses 36 and 52 of this bill endanger the rights of any province that prizes its provincial prerogatives.

That he retreat—and I do not use that word in a derogatory sense because it would be an honourable withdrawal