make their contribution effective, then quite clearly we have failed.

My party owes much of its current success—and I am not thinking particularly of the recent election result in Nova Scotia—to a resurgence of interest by youth in the political process. I know that the Prime Minister (Mr. Trudeau) and his government are alert to both the challenge and the responsibility. I am sure that this House will do everything it can to encourage them to bring forward programs that appeal and are challenging to the youth of this country. It seems to me that this matter has No. 1 priority.

The second matter on which I want to speak for a moment or two is the oil and natural gas policy of this country. First, because export as it is conceived and presently controlled is so clearly in the interest of Canada, I am amazed that the obvious evidence can be so readily overlooked or misread by some hon. members opposite. It seems to me that talk of the need to use natural gas for the establishment of secondary industry ignores both simple petrochemical facts as well as the basis upon which the National Energy Board calculates Canadian need. If the record of the Energy Board is carefully examined, I am sure you will find that when there is any doubt about the need for gas for domestic, industrial or commercial use, that need is reflected in the volume of gas that is set aside and reserved for the national economy. So there is no constraint imposed upon the development of secondary industry as a consequence of exporting to an excellent market such as we have in the United States that which is clearly surplus to the needs of this country.

• (9:30 p.m.)

If the government can be criticized at all in respect of the export of gas, it can be criticized in that it took too long a time to arrive at a fairly obvious conclusion and that, if anything, it was too cautious in its calculations as to reserves. I remember the first gas hearing before the Dinning commission some 20 years ago. At that time exactly the same kinds of arguments were made as are made today. Surely, when we see what has happened in the past 20 years we must downgrade any argument that has attached to it the antiquity of those which we hear and which have been resurrected in respect of current permits.

The gas export policy, after the initial inquiries of the Dinning commission, the Alberta Oil and Gas Conservation Board and, latterly, the Energy Board, has brought gas not only to parts of the U.S. but also to the vast eastern Canadian market. It has brought millions of dollars into Canada by virtue of sales and in money saved on foreign purchases, because let us never forget that so far as energy is concerned, for a number of years we were in a most disadvantageous position. In view of the sales that have taken place over the last 20 years, surely it is not necessary to remind the House that the reserves available today are many hundreds of times greater than those available 20 years ago.

The geology of the great producing basins of western Canada shows beyond doubt that, given the incentive for exploration which comes with gas export and with a growing oil market, there are vast undiscovered resources which will be found and which will contribute to the requirements not only of the export market but, more particularly, of the Canadian consumer—so that 20 years from today we will be able to look back and will find the same ratio of reserves to requirements. This seems to be quite apparent from the history of the last 20 years.

There is one problem which I suggest the Energy Board might find time to consider. That is the question of the price differential which exists in areas proximate to the sources of gas. Here there is a problem that accounts largely for the overhead costs. I believe it is a problem that can be readily solved.

With respect to the national oil policy, one fact comes through clearly. It is that the policy we have been following for ten years must be drastically changed. The continuing insecurity in regard to Middle East oil supplies surely demonstrates beyond doubt that the first step in Canadian oil policy must be to ensure that the Canadian market can be substantially served by domestic oil supplies. There does not seem to be any sense in kidding ourselves that we can continue to expect the United States to carry for us the insurance policy in respect of our oil marketing.

More than 50 per cent of the Canadian market is served by foreign crude. It is apparent that so long as that situation continues, we cannot expect to have western crude serve the logical middle west U.S. market that is available to it. It seems to me that the construction of a 300,000 to 350,000-barrel line eastward from Toronto is a clear, first requirement in a revised oil policy for Canada.

I know that many people place reliance, with a good deal of reason, upon the eventual development of large reserves of crude oil on the Atlantic shelf. If these reserves are discovered, there will be still a very significant time lag between the initial discoveries and the development of an oil field capable of supplying part of the deficit that we now have in our balance of international crude. So I say that the mere possibility of the development of sources of crude on the east coast is not, and cannot be, sufficient reason for continuing to procrastinate with a view to making certain that the Canadian domestic market can be adequately served by domestic crude over which we have virtually complete control.

I think history shows that the major disability with respect to the eastward extension of the interprovincial pipeline from Toronto relates to a supposed price differential. Surely, the pricing policies pursued by the international oil companies are not so obscured as to hide from us the fact that talk of a price differential, when western crude goes to a market east of Toronto, is nothing but a red herring and that there is not an effective price difference.