

*Oral Questions*

continued supplies at current prices and levels in these northern areas?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, I would have to check in detail to respond to that question. It depends on what the hon. gentleman means by current prices. Certainly, any offshore purchases would be subject to the escalation to which I have referred.

PIPELINE TO MONTREAL—EFFECT ON PROPOSED ST. LAWRENCE SUPERPORT

**Mr. John A. Fraser (Vancouver South):** Can the minister advise whether the province of Quebec has agreed to a pipeline to Montreal. If agreement exists, does this mean that plans for the proposed oil superport in the St. Lawrence will be abandoned?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, there is no agreement yet on this point, but the integration of a superport proposal is one of the matters for intense discussion.

**Mr. Fraser:** A supplementary question. Can the minister advise the House whether the delay from the time that the oil pipeline was announced until now is in whole or in part due to Quebec's objection to the abandonment plans for an oil superport?

**Mr. Macdonald (Rosedale):** Mr. Speaker, the fact that there was a rather robust response against the proposal means it is one that we would naturally try to achieve agreement on with the province if we could, and that is subject to discussion.

ATLANTIC PROVINCES—ACCESSIBILITY TO WESTERN CANADIAN OIL

**Mr. J. M. Forrestall (Dartmouth-Halifax East):** Mr. Speaker, I should like to direct a question not only to the minister responsible for energy but to all Canadians, reminding them that eastern Canada does not necessarily include the Atlantic provinces. I ask the minister whether this constant suggestion of the construction of a pipeline through to Montreal embraces the concept that the St. Lawrence River is frozen for two or three months of the year and eastern Canada and the Atlantic provinces, particularly the maritime provinces, should enjoy accessibility to western Canadian oil rather than oil that comes through the Panama Canal?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, if the hon. gentleman is talking about the longer time frame to which a pipeline to Montreal is related, he would have to consider the additional cost involved by the Atlantic provinces if they were dependent upon Alberta oil rather than offshore oil.

[Mr. Nielsen.]

EXPORT TAX AND PRICE CONTROL ON OIL—  
GOVERNMENT POSITION AS TO CONTINUANCE AFTER  
JANUARY 31, 1974—EXPORTS TO U.S.A.

**Mr. Lorne Nystrom (Yorkton-Melville):** Mr. Speaker, in his statement the minister failed to refer to the export tax or price control on oil. Can he tell the House tonight whether it is his intention to continue price controls after January 31, and whether the export tax will also continue?

**Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources):** Mr. Speaker, I expect to have a further opportunity to discuss this question with the Alberta government, and I prefer to postpone further comment until that discussion has taken place.

**Mr. Nystrom:** A supplementary question, Mr. Speaker. Since we still export more than we import, can the minister assure the House that if a serious shortage develops in eastern Canada or British Columbia, we will cut back exports of oil to the United States?

**Mr. Macdonald (Rosedale):** Mr. Speaker, that is in fact what has happened in the last two months of this year. There has been a reduction from earlier this year of about 175,000 barrels a day. The difficulty is the lack of physical transportation facilities rather than the supply, which means that more cannot be taken from western Canada into the Canadian markets which are short.

\* \* \*

TRADE

ENERGY SHORTAGE—IMPACT ON CANADA-UNITED STATES TRADE

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. With predictions in the United States of zero growth in 1974, a 6 per cent reduction in industrial production and perhaps an unemployment rate of 6 per cent due to the energy crisis, has the minister's department made any study as to what may be the direct or indirect impact, economically, in Canada of the energy shortage?

**Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce):** Mr. Speaker, we are watching this very closely, as the hon. member may be aware. The recent investigation with respect to investment decisions indicate that Canadian businesses were planning to increase their investment in capital equipment and plant by over 20 per cent, and particularly heavily in the manufacturing industries. Obviously in light of the changes right now, reviews will be undertaken on a continuing basis.

**Mr. Stevens:** A supplementary question—

**Mr. Speaker:** Order, please. We have gone beyond the time allocated by the order of the House. The hon. member might ask a supplementary; then I would recognize the hon. member for Shefford and the hon. member for Qu'Appelle-Moose Mountain before calling orders of the day.