

catering for some demand in western Ontario, for example, in the Lake of the Woods area which is normally met from Sarnia and Toronto plants.

The hon. member for Qu'Appelle-Moose Mountain asked a question with regard to the availability of tank truck and tank car space. There is indeed a meeting of the transportation companies in the city tomorrow for the purpose of reporting to the government on their assessment of the availability of tank car facilities.

Finally, with regard to further possible movement of crude from Vancouver to eastern Canada, either through the Portland pipeline to Montreal or to the Atlantic area, it is dependent on tanker rates and the possibility exists of moving perhaps up to 50,000 barrels a day spare capacity in the TransMountain pipeline.

With regard to the contingency plans under way, the government has established with the industry, which has had the prime responsibility for the marketing system in Canada, a technical advisory committee on petroleum supply and demand. This committee groups the leading importers of crude oil and petroleum products in eastern Canada and will be meeting this week for the purpose of reporting again on the current status of inventories, on some possibilities within control for the purpose of shifting supplies to short areas from surplus areas, and for the purpose of participating with government in further contingency plans.

I think it is fair to observe at this point that all of these measures can be taken at this point without any damage being done to the current export trade which we have under way to U.S. markets. The crude oil deliveries to Quebec outlined previously can be made without impairing the predetermined volume of our exports to the United States. The Energy Board's established procedure is to take account of domestic needs, including Quebec requirements, prior to licensing monthly exports to the United States. At present this can be achieved without any interruption in that particular program.

Finally, in terms of the emergency situation where a special demand will be put on the western Canadian oil producing capacity, at present, as hon. members know, the industry is operating substantially at its economic capacity. Any significant increase in production, for instance to meet domestic requirements not specifically provided for on a monthly basis, and which could not be supplied out of inventory, would require emergency production measures in Alberta. These measures, involving relaxation of conservation practices such as gas flaring, would require the approval of the Alberta Energy Conservation Board.

● (2110)

Mr. Bawden: You had better phone them.

Mr. Macdonald (Rosedale): I would point out to the hon. member for Calgary South (Mr. Bawden) that up to the moment we have not had an interruption in supplies.

The additional production which would be forthcoming is of rather modest proportions, 50,000 to 100,000 barrels per day for a few months, versus the 100,000 to 150,000 barrels per day previously advised; but the figures are not insignificant and they would, of course, depend on the judgment of the Alberta board. If emergency production

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capability were called upon immediately, there would be pipeline capacity to handle an additional 35,000 barrels per day into Ontario for eastward transportation by vessel.

In addition, the government has been authorized and is currently in the process of supplementing individual corporate purchases with purchases for government account, particularly for distillate heating oil supplies, to cover any interruption that might occur during the coming winter.

I have indicated a number of ways, both domestic and foreign, in which supplies of oil to the eastern Canadian market would be supplemented. Now I would like to make a brief reference to some of the means that could be used in order to control the demand curve, the way in which a voluntary emergency use restraint program would be introduced, one in fact that has been prepared; and, secondly, I wish to indicate plans that are being completed for a mandatory allocation program in case it is required.

First I wish to make reference to the voluntary emergency use restraint program which is available for implementation at such time as there is an interruption. Fuel oil requirements for the heating of federal buildings would be reduced by turning down the thermostats three degrees to five degrees and making certain adjustments in air-conditioning and ventilation equipment. Secondly, fuel oil requirements for the heating of commercial buildings would be reduced by these same measures. The government of Ontario has indicated its wish to co-operate in such a program, and the other provincial governments will be asked to co-operate in the same way.

Fuel oil requirements for homes would be reduced by turning down thermostats three degrees, with the temperature to be kept at the 70-degree level. Fourthly, fuel oil requirements for space heating in industrial buildings would be lowered by similar temperature and ventilation adjustments, but no restrictions are planned at the moment in fuel supply for the manufacturing processes.

An hon. Member: Wear an extra sweater.

Mr. Deputy Speaker: Order, please. It is becoming a little difficult for the Chair to hear the words of the minister.

Mr. Macdonald (Rosedale): Thank you, Mr. Speaker. If there is full co-operation across Canada in this program, fuel oil requirements could be cut by about 10 per cent. This would be the result of the voluntary program.

The next stage in demand control would be emergency requirement measures to reduce demand by a mandatory allocation program. Should the oil supply fall below 10 per cent of demand, a mandatory allocation program would be introduced. Under this plan, wholesalers of petroleum products will cut back on their deliveries by a percentage equivalent to the supply shortfall. The more essential industries will continue to receive close to their requirements in order to avoid any restrictions on food supplies and other essential goods and services.

A mandatory program is now under preparation but it is not expected to be required. However, if it should be required it will be quickly implemented in order to ensure equity of energy supply throughout the country and the full protection of essential services.