

Summer Recess

federal government is considering with respect to its negotiations with the producing provinces.

I am concerned about the prospect of no agreement having been reached by the end of this month. Unless there is an awful lot of change in position, there is a very distinct possibility that this will take place over a very short period of time. We face the potential prospect of there being no agreement between the federal and provincial governments.

It is very easy to consider different scenarios as to what might transpire if an agreement is not reached. I suppose everyone can make his own scenario, but there are different possibilities we should consider. Conceivably we could stay here if the members of the New Democratic Party decide to speak indefinitely over the course of the summer and bore everybody to death. There are some possible scenarios, and these would involve either the federal government or the provincial governments taking some initiatives with respect to the important question of oil pricing.

● (2010)

One scenario could be that, if there is no agreement, the federal government will decide unilaterally to announce its own energy policy, including a set of oil prices. Let us assume that if the federal government takes that initiative, the province of Alberta, being the largest producer of oil in our country, could either follow those prices or take its own initiative, with instructions to the Alberta Petroleum Marketing Commission to offer Alberta oil at a particular price set by it.

Conceivably the price could be higher than the one suggested by the federal government because the federal government, I suppose, is interested in carrying out its election promise of low prices or cheap energy for Canadians. The federal government price would be imposed under the provisions of the Petroleum Administration Act, part II, and if there were this conflict, another distinct possibility could be a very serious confrontation in the courts. There could be a reference to the Supreme Court of Canada to determine the constitutionality of pricing on the part of the federal government as opposed to the provincial governments, and to determine which should prevail in constitutional terms.

Another possibility is that the province of Alberta could consider using as its weapon the provisions of the Mines and Minerals Amendments Act of 1980 to limit the movement of crude oil out of Alberta. A question could arise as to whether that would be sustainable as being within the jurisdiction of the provincial government to take that option. However, the consequences would be very serious, whether we are talking in terms of conserving a resource which is a depleting resource or using this as a vehicle for strife with the federal government.

Another possibility might be that the Alberta government might consider taking steps with respect to provincial Crown leases or royalty land and simply not allowing any oil to be lifted from royalty land or Crown land. In any event, this could lead to very long, protracted and difficult legal action which would have serious consequences for our country.

In addition to that there is the whole question of whether we in Canada would become more and more reliant on offshore oil. That matter would very quickly come to the forefront because of the uncertainty caused by lack of agreement and because of the possibility of action taken by producing provinces with respect to oil in their jurisdictions, and there is no doubt that if this takes place, there would be two consequences. One would be increased reliance on offshore imports, which would create serious economic consequences for our country, especially in view of the international price and the fact that the oil import compensation program is now in such a horrible deficit position. The second consequence would be the implementation of the Energy Supplies Emergency Act passed in 1979, and we in Canada would be faced with the prospect of allocation and presumably rationing of petroleum products.

These could be some of the consequences of the drift and the almost cavalier attitude the federal government has taken in energy negotiations. We should be greatly concerned, as we participate in this adjournment debate, about what is going to transpire, whether or not the adjournment will be until October next. In light of the possibility of there being no agreement, there is the prospect of this kind of confrontation. Notwithstanding the New Democratic Party, we could be back here, if there is no agreement, sooner than we think and sooner than anticipated by this motion.

I am giving the House a report card, so to speak, on this government's record in terms of energy policy. Its record is dismal. There has been literally no action or initiatives taken since this government came to power. We face a very serious prospect of a breakdown in terms of agreement between the federal and provincial governments. The negotiation of an agreement has been left, not to the eleventh hour but to the thirteenth hour. An agreement is past due already.

In a non-partisan and serious way I question the effectiveness of the government, and I question very seriously the New Democratic Party for its continued support of the Liberal government over a long period of time. I know there are arguments and a lot of shouting, but marital breakdown is always very distressing.

With the Liberal party and the New Democratic Party fighting as they are, I want to close my remarks by telling a story told by a person who has been quoted over and over again by speakers from the New Democratic Party. I refer to the Hon. T. C. Douglas. Mr. Douglas is now one of the corporate boardroom bums referred to by the New Democratic Party. It will be interesting to see whether members of the NDP will take advice from Mr. Douglas now as they have in the past. He is a member of the board of directors of Husky Oil. He is with all the bigwigs of the oil industry. He sits with Husky Oil directors and others.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired. He may continue with the unanimous consent of the House.

Some hon. Members: Agreed.

Mr. Murphy: Filibuster.