

Energy Monitoring Act

In looking at this bill there is another concern; that is, the definition of Canada for the interpretation of the bill. It includes a definition of Canada, the federal government, with a 200-mile control area beyond our coasts. I wonder whether it is really appropriate for that definition to be included in a bill like this in view of the lack of co-operation between the federal government and provincial government of Newfoundland and the fact that the matter is before the courts right now. Obviously the 200-mile limit is a contentious point with the government of Newfoundland. It is a point, I think, which should be reconsidered by the minister.

Not only are the producers, the so-called bad men in the oil industry, being affected by this bill but also the dealers and distributors. These are the local people, many of whom are friends and neighbours who are involved in carrying on economic activity in towns or villages. These people too are susceptible to this type of regulatory control. They can be required to provide the kind of documentation the minister says he needs in order to maintain control. This is another serious imposition on the conduct of free business activity in a favourable environment in Canada. For the above reasons my party has very grave doubts about this bill, and I do not think we can see ourselves supporting it without some significant restriction on the amount of actual power and control which the minister may have if this bill is passed in its present form.

• (1530)

Another point is that the minister again provided himself with many discretionary powers. Of course, this is one thing about which we have grave concerns. Many things are possible through ministerial discretion and orders in council which individual Members of Parliament will not have an opportunity to scrutinize. These matters are of continuous concern. There are many examples in the bill of how that power will be implemented and used. Questions should be asked of the minister as to how far he will go in carrying out these discretionary powers. How many more orders in council can we expect in trying to implement this control?

The second part of Bill C-106 attempts to amend the Energy Supplies Emergency Act, 1979. It is interesting to note that there is not much difference in the present amending process, but the act itself should be considered to find out whether or not other amendments are appropriate and whether the act will actually provide the security about which the minister spoke so fondly a few moments ago. With or without the amendments, the act itself is of little benefit to the security of Canadians who will be faced with energy shortages, especially those east of the Ottawa Valley, if there is an international crisis or difficulty in securing energy supplies from other countries.

It was not until the 1970s that the government seriously considered the situation. It was increasingly clear to most people in the country that the situation in the Middle East was very volatile and that we could be facing difficulties in terms of supply sources from the area at almost any moment. Discussions took place and arguments continued. Finally in 1978 a

government document was prepared, which was followed in 1979 by the Energy Supplies Emergency Act. The act provided definitions as to how energy would be allocated, what was of prime importance and what was of secondary importance. Also it provided a rough distribution system in the event of a crisis and a shortage of supply. Now we have just an explanation of the allocation process wherein the Canada Post Corporation is defined as the system which will distribute the rationing coupons and wherein the government is described as being able to affix whatever price is necessary to the actual coupons.

The question is whether we have moved any closer to security of supply in the event of an emergency. The minister made reference to the National Energy Program, but if we take a look at it and at what has happened to date, we will realize that there is no better day than today to look at what is happening in the western and eastern parts of the country. In the west today at least 80,000 barrels of oil are locked in. By this summer there will probably be 200,000 barrels locked in because they cannot be distributed. In reality we have not gone any farther toward providing security of supply for eastern Canada. In fact we have taken a giant step backward in that we have the production capability but are not able to distribute in a reasonable manner to the eastern part of the country.

This is costing Canadians a lot every day. It is costing them about 16 cents per gallon for unleaded gasoline at the pumps. It is costing the country because we are spending \$18 per barrel in compensation charges and giving this money to other countries. We are still very vulnerable, almost totally vulnerable, on the eastern coast to international situations. We have a distribution coupon system through the revisions to the Energy Supplies Emergency Act in order to distribute resources that we have either not developed or that are locked in. We cannot distribute supplies reasonably to the eastern part of the country.

Interestingly this holds true for natural gas as well. We have talked a long time about extending the pipelines to the east coast so that we can distribute natural gas, which is very plentiful in western Canada, into markets that we know exist in Quebec, New Brunswick, Nova Scotia and Prince Edward Island. The difficulties have been partially created by the federal government and its energy program. We are just as vulnerable today as we were ten or 12 years ago. It will be a long time into the future before we are in better shape.

Another question is why we have been paying compensation charges and going through the whole energy program. Do we really have anything to show for it? Do we have the security we should have? In 1981, compensation charges cost about \$4.5 billion. The government collected over \$5 billion in compensation charges, but we still do not have security or the reservoir of 140 million barrels of oil which the Americans have put away for use in the event of a crisis. Where is ours? We have talked about caverns and storagability, but what have we done about them? Not much. We are dedicating ourselves to maintaining good relations with companies and countries with which we are bargaining for imported oil supplies. When