

Energy

(2) To establish a single price for crude oil for all Canadians after due allowance for transportation differences.

(3) To build a fiscal structure that would assure an equitable distribution of revenues among producers, consumers and governments and would leave the industry sufficient incentive to continue the exploration and development activities necessary to maintain Canadian self-reliance in energy;

(4) To ensure that Canadian energy exports would be sold at competitive prices in the markets to which they were being delivered;

(5) To establish an energy supply allocations board which would have the authority and responsibility to allocate supplies in the event of an emergency;

(6) To establish a national petroleum corporation which, as part of its objective, would attempt to ensure that the rate of development of Canadian petroleum resources will be in the national interest and, in a changing world market, would be able to negotiate abroad to secure imported oil on the best possible terms;

(7) To encourage through federal government assistance the expansion of electrical production based on nuclear energy and a comprehensive inter-connection of provincial utilities to ensure greater efficiency and security;

(8) To establish an office of energy research and development to review, assess and coordinate the activities of the federal government in energy research and development;

(9) To complete an inventory of the Canadian resource base in uranium and coal as well as in oil and natural gas, by offers of assistance to provinces, and directly in the case of federal land;

(10) to establish an office of energy conservation within my department to develop and recommend a program of energy conservation and to play a coordinating role among all institutions and authorities who would have responsibility in conservation efforts.

Beyond these specific actions, Mr. Speaker, the government has acted on the National Energy Board's review of oil export policy. The board is currently holding hearings to assess export policy in respect of natural gas, and its report should be available to the government early in the summer.

Given the continuing uncertainty over the course of international events regarding energy, particularly with regard to future oil prices, we have carried out a major assessment of possible rates of development of Canadian energy resources. This study is attempting to evaluate the costs and benefits of alternate development rates in terms of the social and economic future of Canadians. What emerges is that while Canada is rich enough in potential energy resources to continue to supply domestic energy demands at moderate growth rates until at least the end of the century, this can only be accomplished by greatly increased economic and environmental costs. I would like to elaborate on that particular point.

● (2010)

My department has forecast that the investment bill to provide new energy sources for Canadians over the next decade will be more than \$100 billion. This means that the proportion of the gross national expenditure going toward energy development could nearly double to 6 per cent from the average rate during the 1960's. In human terms that would mean less capital proportionately to build new housing, new schools, and other needed social developments.

A practical program of conservation, that is to say, a new ethic of conservation, can substantially reduce these costs. Some of the benefits of such a program will be the following:

(1) Canada will become self reliant in energy at lower real costs by transferring fewer resources to energy production.

(2) Our relative dependence on imports will be reduced, particularly in the early 1980's when a gap could exist between Canadian hydrocarbon demands and domestic supplies.

(3) The risk of excess investment in relatively high cost energy sources will be reduced.

(4) In the longer run, policies to reduce energy consumption will extend the life of Canadian resources and permit greater non energy use of hydrocarbons.

(5) Environmental problems associated with high levels of energy production and consumption will be reduced.

(6) Individual Canadians, recognizing that they face higher cost energy, will not find their pocketbooks so burdened.

Mr. Woolliams: Who are you kidding?

An hon. Member: Ask Barrett about that.

[Translation]

Mr. Macdonald (Rosedale): Mr. Speaker, while supply policies will continue to be assessed to maintain a capacity to meet demands, energy policy must now be conceived of in a broader context of ensuring that supply and demand balances are maintained at levels that reduce waste and inefficiency to a minimum. This policy of management, if you like, will produce startling results. If we can arrive in 1990 with energy demand levels 20 per cent below those projected in An Energy Policy for Canada—Phase 1—we shall have effected savings equivalent to the output of 12 tar sands plants. To do this, we require a reduction in the current annual rate of demand growth of less than one per cent. On current estimates, this can be considered as the minimum savings achievable through sincere conservation efforts.

The evidence that we have been wasteful and inefficient is persuasive. We all, whether in the private the industrial, or the governmental sector, have acquired careless habits. I believe that much of the impact of higher energy costs can be offset by the savings which will flow from conservation.

Some have argued that we should effect conservation by encouraging energy prices to rise to such formidable levels that our people will not be able to afford to buy as much