

Energy

caught in the same trap in which we have been for years in Canada. Petro-Canada is a corporation which should be run for the people of the country, a company they would own in terms of their own resources. Instead of changing the direction, looking at alternatives, finding better ways of delivery, we are just trying to run it more efficiently, as do some of the large multinational oil companies in the free enterprise system. That really distresses me about Petro-Canada.

I would like to go back now to addressing some of the problems I have mentioned earlier, especially as they affect those people who have had the seven or so consecutive price increases in petroleum products. I think that in the northern areas we have some very unique problems. The cost of hauling fuel to some of these areas is prohibitive. According to the figures from the 1976 census, which are the most recent, until we have the figures from the latest census, in 1976, over 40 per cent of the homes in remote areas were heated by oil, and another 20 per cent were heated by oil with possibly wood to substitute for some of the oil and heating fuel consumption.

It should be pointed out that to put in natural gas in many of these remote and northern communities is simply uneconomical and unviable. Therefore, when people have to pay the high cost of transportation to cover the cost of the fuel as well as the increases which are coming, it becomes exceedingly difficult for them to fit this into their family budgets on top of the cost of heating their homes. Also it becomes increasingly difficult for small business people to operate their businesses because of the high energy costs which are being laid upon them.

I would like to acknowledge some of the advantages of the oil compensation program of the federal government. I am very pleased to see that this has been settled between the provinces and the federal government so that people in the provinces can take advantage of the oil compensation program which has been instituted by the federal government. In many of the northern communities, about 85 per cent of the homes are heated by oil. Oil prices there, even last winter, were prohibitive. I know that in some areas in my constituency heating fuel itself was up to about \$1.29 a gallon, and the cost of automobile gas or boat gas for the fishermen was even higher than that. What will all these increases come to by the end of this year? Will fuel be \$2 a gallon more? Will it be \$2.50 more? I do share one concern that the Conservatives have with the Liberal government, that is, when will the government come clean with us and tell us at what point those increases will stop? Are we going to meet the world price? Are we going to meet 85 per cent of the world price? Are we going to go beyond world price before this is over?

I think we are caught in a ridiculous situation of fighting over oil pricing between central Canada in the east and central Canada in the west and, at the same time, the government is not willing to meet the reduced prices of the western provinces, or, to be more accurate, the producing provinces. At the same time, we are spending large sums of money for compensating for the price of oil from other countries, for bringing in

offshore oil, from Saudi Arabia and other parts of the world. I think it is a ridiculous situation in which we are caught.

I know that in Manitoba, at Red Sucker Lake last year, the cost of oil was \$1.85, which is even higher than the \$1.29 a gallon for heating fuel in many places in my constituency. In some places in northern Ontario, it is as high as \$3 a gallon. I think that this is very, very hard on the people in the outlying, remote northern areas. This would cover the Yukon and the Northwest Territories. It would also cover most of the northern area of the provinces in Canada.

I would now like to turn to another area, one relating to the farmers whom I have mentioned. I think the farmers are hit exceedingly hard with the high energy costs. The facts show us that farmers use about 8.9 million barrels of diesel fuel every year, and another 15.1 million barrels of gasoline. Years ago a farmer used to be able to feed about 10 people on an average farm. Today in Canada, the average farm feeds about 50 people. Therefore, over the years, although the agricultural industry has started to use a lot more hydrocarbons and a lot more petroleum products, it has become much more efficient; in fact, vastly more efficient than any other sector of the economy. However, at the same time, farmers are hard hit by the high fuel costs because it is necessary for them to have that energy to be as efficient as they are; and they are very efficient.

I would like to see the government put more effort into finding energy alternatives to be used on farms. I know that right now, on a farm just outside of Unity, Saskatchewan, there are a few people who are doing some exploratory work into the use of hydrous ammonia to run vehicles. In fact, I have seen these vehicles which run on hydrous ammonia. They are presently converting diesel tractors in that area to run on hydrous ammonia, and an acetylene catalyst is used to make it sufficiently combustible and to prevent energy loss in the use of this fuel. This is just one idea that I would like to see the government pursuing more vigorously so that the farming sector can have some choices and so the agricultural sector can have a secure energy supply in the future. Farmers need fuel which is reasonably priced, because of all the sectors of our economy, they are hit the hardest because they cannot pass the cost on to the consumer.

Although, most small business people are being hit right now by high interest rates and inflation, in most cases they can at least pass on their increased costs to the consumer. I suppose they may be cutting back a bit on their inventories, and their sales might be somewhat reduced, but most of their costs are passed on. In the agricultural sector, very few of the increased costs of production can actually be passed on to the consumer. This really puts the farming population at a disadvantage. I think that if we do not do something about the increased costs of production on the farms, either by reducing their costs of production, or else by increasing the revenue for the products farmers sell, we will find ourselves in a disastrous situation in terms of producing food in Canada.

It distresses me to find that at certain times of the year we import about 90 per cent of our vegetables into this country,