

Energy Supplies Emergency Act

this is worked out, whether through an oil marketing board or some other mechanism, the idea is sound and the only one suitable for Canada. We must have a unified pricing system across the country, with some differences in respect of the various areas to compensate for transportation costs.

I also welcome the government's plan to establish a national petroleum corporation. This will have definite benefits for Canada in that the government will be able to acquire supplies of petroleum products from overseas by dealing directly with the state concerned, which it cannot do at the present time, at least not in a manner that will ensure adequate supplies.

I was also pleased to note that in the government's new policy the national petroleum corporation would be given certain powers. One of its responsibilities would be to hold oil reserves for the future needs of our nation. I welcome this announcement. Most important, I feel this national petroleum corporation should be looking at the development of the tar sands. There are something like 500 billion barrels of oil locked in these tar sands, and acquiring the technology and know-how for removing it should be made one of the responsibilities of the new national petroleum corporation. Indeed, I would like to see the federal government become involved in at least one public work in the tar sands for extracting this oil. This could take place either in co-operation with the government of Alberta, as I hope will be the case, or if that is not possible I believe the federal government should go ahead and establish at least one mining and refining program in the tar sands. This would enable the federal government to develop the necessary know-how.

I was pleased, as well, that the Prime Minister said the government is giving top priority to the development of our nuclear technology and the use of uranium by electric utilities. Perhaps the nuclear technology which Canada now has is one of the greatest success stories in the country in view of the development of the CANDU reactor. Atomic Energy of Canada Limited, and Ontario Hydro with their development at Pickering, Ontario, have developed a system for bringing on stream tremendous reserves of electrical energy. The federal government has made it clear that it will provide half the financing of additional plants to be developed in New Brunswick and other provinces. The success of the CANDU reactor can be seen from the sales of the reactor to countries such as Argentina and South Korea which the Minister of Energy, Mines and Resources (Mr. Macdonald) announced last Friday.

Representing the uranium capital of the world, Elliot Lake, may I say we view the position of the government on this matter with a great deal of satisfaction and pleasure. The township of Elliot Lake has certainly suffered a great deal of economic upheaval during its brief lifetime. However, with the recent announcement of a sale by Denison Mines Limited of some \$800 million of uranium, representing over 40 million pounds, for delivery during the 1980s and early 1990s, combined with the recent sale of reactors to other countries, and the announced lifting of the embargo by the United States Atomic Energy Commission in 1977, to be fully implemented by 1983, the future stability of Elliot Lake is ensured.

[Mr. Foster.]

Apart from my own interest in this matter as the elected representative for the community of Elliot Lake in the Parliament of Canada, I believe we should be moving more of our electrical utilities toward deriving their energy from uranium. It seems wrong to me that Ontario Hydro is at the present time building the Lennox generating station that will utilize petroleum products which might have to be brought in from overseas, in that we cannot be sure of adequate supply, when it could have been designed to utilize the uranium mined here in the province of Ontario. Surely uranium is the principal source of energy we now have in the province of Ontario since most of the accessible hydro dam sites have been developed.

• (1740)

Similarly, last summer Ontario Hydro announced an electric utility station to be developed in the next few years in northeastern Ontario, leaving it open whether it would utilize petroleum, coal from the United States, soft lignite coal which is located near Moosonee, or uranium. It is time that a province such as Ontario, so rich in uranium, came out forcefully and in a decisive way and said it will build future electric utilities designed to use the uranium with which it is so richly endowed.

Although the matters I have mentioned are important, perhaps the most urgent announcement last week concerned the pipeline to be built to supply crude oil to Montreal and the eastern provinces. We now have a pipeline system running from western Canada to Manitoba and then to Sarnia through the United States. This line passes through northern Michigan and crosses the Straits of Mackinaw at St. Ignace. It is my opinion that a pipeline to Montreal should be built from this location at St. Ignace, Michigan, to Sault Ste. Marie and from Sault Ste. Marie through northern Ontario to Montreal. That would be a preferable route to the Sarnia to Montreal route over United States soil. In the first instance, the distance for the transmission of this oil via the route through Sault Ste. Marie would be approximately 200 miles shorter, and the majority of the pipeline would be built through Canadian territory rather than through the United States.

Mr. O'Sullivan: Using Hamilton steel.

Mr. Foster: The hon. member for Hamilton-Wentworth (Mr. O'Sullivan) suggests that Hamilton steel should be used. I thought the minister was very kind in his response to him last Thursday or Friday when he said that the Canadian Commercial Corporation would look into the prospect of purchasing some Stelco steel. There has always been a friendly rivalry between Algoma Steel, in Sault Ste. Marie, and Stelco in Hamilton, but it is quite obvious that if the pipeline is built from Sault Ste. Marie to Montreal we would save a great deal in shipping costs if the steel and the pipe were obtained from Algoma Steel in Sault Ste. Marie; and I know the hon. member for Hamilton-Wentworth would not want to see these extra shipping charges added to the cost of the pipeline. I am sure a great deal of the pipe will come from the Algoma Steel Corporation in Sault Ste. Marie.

In his announcement last Thursday the Prime Minister indicated that the federal government would proceed as