

*Oil and Petroleum*

They must create jobs and investment opportunities for Canadians that are challenging and in every sense rewarding.

All of this is so obvious that it is almost embarrassing to say it, yet the government is so caught up with the problems and pressures of the moment that it regularly responds with policies that do not meet these criteria. The policies of the government are rather unimaginative products of the conventional wisdom of the fifties and sixties, perhaps reasonable in their time but demonstrably unsuited to the seventies.

We badly need a plan, an integrated plan, of which all government policy is a part; a plan moved by a vision of Canadian society 50 years hence which is self-sustaining, utilizing all our resources efficiently and with a view to their long-term supply. But because the government has no concept of such a sustainable society, it has no plan for reaching it. Because it has neither direction nor plan, it moves from one crisis to another, all the time allowing our valuable, non-renewable resources to be consumed at rates that are not necessary, not reasonable and certainly not sustainable.

When I look at this bill there are four aspects of the government's failure to come to grips with Canada's energy problems which come instantly to mind. First, we find that the government has failed time and time again to get accurate figures on the demand for and supply of Canada's oil and natural gas. No more eloquent testimony to the government's ineptitude in forecasting ability can be found than in the white paper on energy issued last year by the Minister of Energy, Mines and Resources. On page 104 the white paper states categorically:

In summary, the analysis suggests that Canada has more than enough energy resources available to cover her own use at least until the year 2050 and that there is a chance that there may be substantial amounts of oil and gas surplus to domestic demand.

This analysis was done just last year, yet last month we were informed by the National Energy Board that proven oil reserves cannot be expected to fulfil our own domestic requirements past 1982, even if all exports of oil to the United States are stopped. If those exports continue, the National Energy Board reports our oil self-sufficiency will end even earlier, in 1978.

The government has had to impose immediate cutbacks on our exports of oil, another reflex reaction. This government, which has already proven to be so inept in this field, now moves by means of this bill to increase substantially the regulatory powers of the federal government over oil and natural gas. Of a total of 95 clauses, 30 give complete discretionary powers to either the government, the governor in council, boards, or the minister. Moreover, the number of clauses granting the governor in council power to act by regulation and order in council has more than doubled from the government's previous bill, C-18. How could anyone vote for a bill giving so many powers of regulation over oil and gas supplies to a government whose record of forecasting in this area is so dismally bad?

Second, this bill substantiates the government's complete failure to work out solutions to our energy problems in co-operation with the provinces. Members on this side of the House have emphatically supported the idea of a single domestic price for oil across Canada, transportation

and handling costs being considered apart. I think all members of the House accept the idea of the subsidy to cushion the price of oil in our five eastern provinces and agreed with the export tax for that reason.

If the government were to put these proposals to us in this committee pure and simple, I am sure they would be passed today. But what we object to, and what many Canadians across this land object to, is the unilateral nature of the federal government's proposals with regard to price. We in Ontario, living in a land-locked province with no substantial gas or oil reserves of our own and very little prospect of ever discovering any, are particularly concerned that the federal-provincial arrangements on energy should work smoothly and effectively.

At the moment it is largely due to the good will of Alberta and Saskatchewan that the price of oil to the eastern provinces has been equalized. If the retail price of oil in Ontario should go up in the new year, the federal government will be to blame. Our party pressed the cabinet to include in the supplementary estimates adequate funds to continue the federal subsidy on oil through to the end of March, 1975. But the government refused and has provided in those estimates for the subsidy to continue only until the end of this year.

Instead of uniting the country in the fact of an energy crisis, the policies of the federal government have begun to divide it. It is one thing to pour oil down the drain, as some of the government's inaccurate projections have more or less done in the past, but it is another thing altogether to pour the good will and good faith of the province down the drain with the same reckless abandon. The federal government may get away with its policy of imposing a tax on royalties on the provinces, but the ill-feeling and mistrust that would be generated among the different governments of this country will filter down and leave a legacy of ill-will and mistrust between the people of the east and of the west.

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The third failure of the government with direct pertinence to this bill is its failure to produce anything more than rhetoric in the way of long-range energy policy. The cabinet apparently wants the power to control this area, but lacks the will to plan constructively for future resource development. The classic case here is that of uranium. Here is a resource on which Canada will have to depend more and more as our supplies of oil and gas run out. Here is a resource over which since the Second World War the federal government has had virtually exclusive jurisdiction. At present, for instance, all uranium produced in Canada must be marketed through Eldorado Nuclear, a Crown corporation, and any exports of uranium must receive authorization from the federal Department of Industry, Trade and Commerce.

It is undoubtedly from this perspective that the Prime Minister was involved last month in talks with the President of France over the building of an enriched uranium plant in the James Bay area. The government seems to be moving quickly to support the construction of such a plant. Already they are involved in an exploration agreement with France and Quebec with a view to a plant in this area; and Premier Bourassa spoke several times last