

Mackenzie Valley Pipeline

natural gas, particularly delta gas, can and should play in meeting future energy requirements. The government over the past few years has heard from many groups asserting that northern natural gas would be required to supply southern Canadian markets within a relatively short time period, and in fact an earlier report of the National Energy Board has indicated that natural gas supplies from western Canada, while adequate for today's needs, may not be sufficient to meet future demands. The government was not prepared at that time to conclude on the basis of these concerns that a pipeline from the delta would necessarily be the best or only solution to our future energy requirements. This can be done only after the National Energy Board has had an opportunity to assess fully each of the proposals now before it, and to present its decision and reasons for reaching that decision on the basis of the evidence it has heard.

I think we need to look at some of our concerns respecting our energy future. We have just entered into a period where our total net imports of crude oil exceed our total net exports. We are therefore becoming more and more dependent on imported oil to meet our future energy requirements. This comes about not solely because of growth in demand but also because of declining supplies and deliverability of crude oil from western Canada. We can in the short term count on imported oil, but there is no basis realistically for thinking that we can do so for very long.

For reasons of national security, and in order to reduce our exposure to a price system established outside Canada, we have adopted a target to limit our total crude oil imports to one third of our total consumption by 1985. We will not reach that point for some years yet, but with greater conservation, and the development of our own petroleum resources, oil and natural gas and other substitute fuels, we will exceed that target.

That is not to say that delta gas is our only source or the only solution to new supplies, but we must assess whether, in looking to the long term, we can afford to reject the opportunity now presented to us to bring that gas within a known time frame to Canadian markets. There may be many Canadians who are not concerned with the balance of payments implications and with growing dependence upon foreign countries. It has been estimated that our dependency on foreign oil requirements is of the order of \$4 billion to \$5 billion a year. It seems to me that all Canadians should be able to understand the question: what do we do when that offshore oil is no longer available to us, or indeed to others?

I agree that this is obviously an important and constructive approach to the problem, but it is not a solution. All it can do is help reduce the size of the problem. We may very well be able to reduce our energy consumption to 2 per cent growth, which is roughly a zero rate of growth per capita, something which "An Energy Strategy for Canada" set out as a possibility a year ago. Over that period of time I have repeatedly referred to this, and I was particularly interested to see that the United States energy policy contemplated the same kind of target.

We are going to be increasingly pressed to develop our own supplies, our own substitutes, for the reasons I have given and for the reasons which President Carter gave his own people not very long ago when he set out the stark realities and talked to the United States people about their energy future. We have little enough time to put our own house in order. If we were to set aside, for a period of ten years for example, projects and plans which would help provide future energy for Canada, we could be losing a very significant opportunity. If we are not prepared to face that head on, to look at the disastrous consequences of an energy shortage ten years hence, which implies greater unemployment and greater inflation, then we will be derelict in our duty. For that reason it is important we await the views and the judgment of the National Energy Board before reaching a conclusion on this aspect of our energy needs.

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It may be that through alternate sources of energy, such as the Athabasca tar sands, the Cold Lake deposits and other heavy oils, Arctic Islands natural gas, renewable solar energy and coal gasification, we can make up for the predicted shortfall of our oil and gas requirements. I am leaving aside, for the moment, our requirements for electrical energy. It is true we do have these options but, so far as I know, none is lower in cost than delta natural gas at this time. Each of these options, moreover, has its own particular set of difficult issues, economically, socially, and environmentally.

Mr. Stanfield: Which side of this are you on, Alastair?

Mr. Gillespie: If there were delays in bringing natural gas down from the north, we would be forsaking one of the options we have before us. It is not clear that the next major option, the development of the tar sands and heavy oil, can be done at a pace which would fill in the shortfalls that otherwise would occur in Canada. This point was made very clear by Mr. Getty, the Alberta energy minister, as recently as two days ago. We have got to use time between now and this summer to assess the many points made by Mr. Justice Berger in his report. These are points with respect to the importance of trapping, hunting and fishing employment levels which one can hope to obtain for those in the area. We also have to address ourselves to such questions as: what about the young people who are leaving the school system? Will they all be interested in becoming hunters and trappers? How many will be able to find a livelihood from such pursuits? Will some not seek a greater variety of challenges and opportunities to enter an industrial economy?

Mr. Hnatyshyn: They will probably be the next ministers of energy, mines and resources.

Mr. Clark: Tell us about the buffalo.

Mr. Gillespie: Mr. Speaker, I suggest we need to reflect upon Mr. Justice Berger's landmark report. Four days is too soon for such a purpose. I believe Mr. Justice Berger would want us to understand thoroughly what he is saying, to know