

The Address—Mr. D. S. Macdonald

and to ensure a just distribution of opportunity throughout Canada.

In meeting this responsibility, the federal government must not let so much of the gigantic new revenues associated with greatly increased oil prices accrue in one region that equality of opportunity and reduction of disparity become impossible in Canada. It is for this reason that a portion of the new revenues is being used to cushion the impact in eastern Canada of the huge increases in oil import costs, thereby assisting eastern Canadian consumers. This is in keeping with the objective of our Canadian community of sharing the benefits and the burdens of any such price or supply change so sudden and so great that it could seriously disrupt the national economy. The task is a major one, requiring the full co-operation of all provincial governments, but at the same time recognizing the federal government's mandate to develop and co-ordinate policies that directly affect the lives and welfare of all Canadians.

Taking this problem from the national context and putting it into the broader world context, I should like to refer to certain consultation that I have had during the past months with governments of oil consuming countries, particularly the United States and the United Kingdom, and with the two largest Middle East producers, Saudi Arabia and Iran.

As for the Middle East, my conversations there had two main purposes: first, to explore at first hand the factors which could affect the future price and security of supply of OPEC oil; and, second, to explore the interest of Middle East nations in nuclear energy and, in particular, the CANDU nuclear system. On the surface it may appear odd that oil rich nations would show an active interest in energy created out of nuclear power, but it represents a recognition on their part of the finite nature of hydrocarbon resources, a recognition which makes it attractive for them to move now to develop an electrical supply system that is not dependent on petroleum.

With regard to these conversations I can report briefly as follows. Regarding security of supply, I have received assurances that Canada is not on an embargo list and that the Arab nations do indeed recognize the different character of our oil supply and oil dependency situation.

Some hon. Members: Hear, hear!

Mr. Macdonald (Rosedale): The price trend for oil, however, is not at all clear. Some nations, notably Saudi Arabia, appear sympathetic to the need to move back somewhat from the present price levels at the international level, but others maintain that there is a need for further increases before the true market value of this commodity is reached.

At this point in time it is rather difficult to predict what will be the outcome of the discussions on the international price of oil. The OPEC members will be meeting around the middle of March, both for the purpose of discussing the price level that they will observe after April 1 and also for the purpose of concerting their position in relation to the meetings of the United Nations General Assembly and possibly discussions with the oil consuming nations.

The dramatic increase in international oil prices has, of course, been of serious consequences for every importing

[Mr. Macdonald (Rosedale).]

nation, but most serious of all for those developing countries which are not themselves oil producers and which run the risk of seeing at one stroke the progress they have made through development assistance lost because of an increase in the price of oil. The Shah of Iran has recognized these difficulties.

● (1430)

The Acting Speaker (Mr. Laniel): Order, please. I regret having to interrupt the hon. member—

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Laniel): —but pursuant to a special order made earlier this day, it is my duty at this time to interrupt the proceedings and put the question on the amendment to the amendment. All those in favour of the subamendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Laniel): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Laniel): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Laniel): Call in the members.

The House divided on the amendment to the amendment Mr. Fortin which was negatived on the following division:

● (1440)

(Division No. 1)

YEAS

Messrs.

Alexander	Dionne	Jelinek
Alkenbrack	Ellis	Kempling
Allard	Epp	Knowles
Andre	Fairweather	(Norfolk-
Arrol	Fortin	Haldimand)
Baker	Fraser	Korchinski
Balfour	Gauthier	Lambert
Bell	(Roberval)	(Edmonton West)
Blenkarn	Gillies	La Salle
Boisvert	Godin	Lawrence
Caouette	Grafftey	MacDonald
(Charlevoix)	Hales	(Egmont)
Clark	Hamilton	MacDonald (Miss)
(Rocky Mountain)	(Swift Current-	(Kingston and
Clarke	Maple Creek)	the Islands)
(Vancouver	Hargrave	MacInnis
Quadra)	Hees	(Cape Breton-
Coates	Hellyer	East Richmond)
Cossitt	Higson	MacLean
Crouse	Holmes	Macquarrie
Danforth	Horner	Madill
Darling	(Battleford-	Marshall
Dick	Kindersley)	Matte
Diefenbaker	Hueglin	McCain
Dinsdale	Jarvis	McGrath