

*Oil and Petroleum*

This pipeline should go from Manitoba through northern Ontario to Montreal and the maritimes. I advocated this on many occasions in the last parliament. The answer the minister gave me on why we could not build an all Canadian line was that it would take a year extra to complete over the proposed Sarnia-Montreal pipeline. We now have delays in the Sarnia-Montreal pipeline to the point that these delays equal the one year extra it would have taken to build an all Canadian route.

I also argued with the minister in the last parliament about the value of a Sarnia-Montreal pipeline as opposed to extending the existing pipeline from Toronto to Montreal. The minister argued we needed the Sarnia pipeline because it could carry 500,000 barrels a day. Now that pipeline is supposed to carry only 300,000 barrels a day, and Interprovincial is not even sure it can handle that. With an all Canadian pipeline, we would have the opportunity to open up a petrochemical industry in northern Ontario. More important, we would have a means of getting cheaper western Canadian oil to our eastern market, and we would be secure in knowing that it traversed only through Canadian territory. This again raises the issue of security.

I am astounded to realize that the Canadian government is now negotiating with the United States about the security of supply through pipelines. I always assumed we had a treaty with the United States guaranteeing security of supply for the pipeline that leaves western Canada via Alberta and Manitoba, goes to Chicago, and links up with Sarnia again. There is also a pipeline from Portland, Maine, to Montreal.

The Minister of Energy, Mines and Resources now tells us we are negotiating with the United States for guaranteed security. Meanwhile, what do the Americans want? They want an oil pipeline and gas pipeline through the Mackenzie Valley. The implications are serious.

Our pipelines going through American territory are not secure. The Americans are in a tremendous bargaining position to argue they should have a pipeline down the Mackenzie. It really amounts to blackmail. An all Canadian route would certainly avoid that difficulty.

If we are to have guaranteed future supply we must begin to develop the Athabasca oil sands. We must do this on a concerted and energetic basis. In the last parliament the minister repeatedly said the Athabasca oil sands were the great salvation of Canada. It was a secure supply. We had to develop the plants, get them on stream and into production because of the time lag involved. I do not hear the minister touting the Athabasca oil sands as the great salvation any longer. It is important that we understand why there is this sudden silence.

Here is a golden opportunity for Canada to move toward self sufficiency. We have an opportunity at this time due to the fact that in one of the proposed developments of the oil sands one of the private multinational companies is pulling out. Here is an excellent change for a government national petroleum company to step in as one of the partners to develop the oil sands under Canadian terms, for the benefit of Canadians and not for the export markets in the United States.

[Mr. Symes.]

In the last parliament we asked for a 50/50 split of the export tax between the provinces and the federal government so that the provinces could have extra revenue to help develop, along with the federal government, energy projects such as the oil sands. This was not accepted. Under the current export tax there is a surplus of some \$200 million this year. I wonder what the federal government will do with that surplus. Is it going to turn it back into energy development? It is important that we have answers to these questions.

Another way we can begin to move toward ensuring a supply of oil for future Canadians is for the Minister of Energy, Mines and Resources seriously to advocate to Canadians the value of conservation of energy. I do not mean turning out the lights around Parliament Hill. We have to get Canadians to think conservation because, as I said, we are moving toward a lack of self-sufficiency within five years time.

It is interesting to note that the growth in demand for energy in Canada during the 1950's was 4 per cent per annum. By the 60's, the demand had grown to 5.5 per cent. Canadians consume energy at a rate five times higher than the world average.

This government has a responsibility to initiate energy saving policies in areas such as higher insulation standards for new homes. We need to encourage mass transit via bus and train. In terms of passenger miles, planes require 10 times as much fuel as buses, six times as much fuel as trains, and four times as much fuel as cars. Yet the Minister of Transport (Mr. Marchand) is going full speed ahead with STOL, the short takeoff and landing aircraft. He should be putting more money into mass transit via train and bus.

To promote conservation the federal government should be urging the provinces to reduce highway speed limits to 50 miles an hour. A car uses between 15 and 25 per cent more gasoline at 70 miles an hour than at 50.

If the minister had the courage to urge Canadians to turn down their thermostats four degrees, we would save the equivalent of 900 million gallons of fuel oil a year, about 10 per cent of the energy used in heating. We should also begin to phase out the use of natural gas to produce electricity because it is so inefficient when used that way. Further we should discourage the use of electricity to heat homes because more energy is expended in producing electricity than is warranted when we consider the ratio of electricity needed to heat homes. Those are some positive steps the government could take to move toward a position of security in future oil supplies.

A third element of a national energy policy surely must be a pricing policy to benefit Canadians. In the last parliament, and even before, the New Democratic Party advocated a two-price system in oil. That is to say, Canadians would pay a lower price than the world price, and we would export our oil at the higher world price. As a result of that policy which was accepted in the last parliament, Canadians save approximately \$5.20 a barrel for crude oil. However, we still got caught in an increase of sorts because the price of oil to the Canadian consumer had to go up in eastern Canada because there was no pipeline from the west. We had to import foreign oil.