

Petro-Canada Act

The question facing democratic politicians everywhere, I suppose, is what economic areas should be under state control and what areas should be left to the marketplace. It seems to me that the development of a strategic commodity such as oil is one area where we should have at least predominant public control. That does not mean control of the entire industry—we have not advocated that—it means predominant public control.

The minister prides himself or congratulates himself sometimes on being logical, and when he makes the argument for the 25 per cent equity, the fact that they have to be at the table, that they have to direct, that they have to know what is going on, if you follow that argument to its logical conclusion, it would argue for predominant public control. This would regulate the industry, it is said, in one of the most over-regulated industries in the country. That is not true. The industry can get around all the regulations. Look at the history of the National Energy Board, and the way it has been manipulated with respect to exports, especially on oil.

The way to do it, logically, I put this to the minister, is that we should have predominant public control. It makes sense. The public wants it. But the public should not be bamboozled by this flim flam, this unworkable sham of COR and PIP and all these grants, in which millions of dollars go out to an industry like this. They should not get it that way.

I conclude then, Mr. Speaker, by returning to the question: energy security for whom? The Liberal answer in this group of bills is security for the oil companies. The government money will take all the risks. What about the taxpayers and consumers? They will continue to get hosed. It is no wonder Canadians are becoming more cynical of this Liberal government energy policy. It certainly has not been as promised.

Some hon. Members: Hear, hear!

Mr. Bill Yurko (Edmonton East): I hope to make some brief remarks, Mr. Speaker, on this first bill on energy that has been introduced in the House. To begin with, I would like to say that Petro-Canada is an essential key in the federal government's over-all energy plan. It will play a major role in terms of transferring regulation and control of the industry from the provinces to the federal government. It is in this area that I want to touch upon a few matters.

The minister has made sufficient speeches and published sufficient documents to give us the three goals of the National Energy Program. I would like to put forth six goals that tend to describe more adequately this very complex National Energy Program which very few people understand. I had hoped the program would have been implemented over a somewhat longer period than the short span in which it is being implemented. Some of the uncertainties and difficulties we will have to contend with would have been lessened.

● (1820)

In connection with the National Energy Program in which Petro-Canada plays such a vital role, I see the following objectives. The first is certainly Canadianization in two ways,

Canadianization in the public sector and Canadianization in the private sector. There are some ingenious policies in this legislation by which this will be done.

The second and more important characteristic of the National Energy Program is control and regulation of literally most aspects of the industry. More important is the transfer of that control from the provincial area of jurisdiction to the federal. That is an area that I am concerned about. I think there will be increasing problems as we go into the future.

The third policy of the National Energy Program is nationalization. The program in Bill C-48, the oil and gas bill, has two prongs, the first with regard to Canada lands, and the second part with regard to energy security legislation which we will be dealing with in the next several weeks. Through Bill C-48 there is an all-inclusive system of nationalizing at least 25 per cent of the industry on Canada lands. All new oil and gas industry on Canada lands from here on will be nationalized to the extent of 25 per cent, either through PetroCan or a new corporation. I do not say this is good or bad. Bill C-48 has been passed, and that is fact. This is what it will permit.

The question is how much of the existing industry in the provincial sector will be nationalized in the federal government program. Here is where Petro-Canada can and will play a rather significant role, hopefully, as the minister said on several occasions, in the oil sands, and by purchasing other companies. It is now rumoured that Petro-Canada will be purchasing British Petroleum after having purchased several other companies in the past. I will come to that area.

The fourth major policy area is revenue accumulation from the industry to the federal government, or central Canada if you wish, and the subsequent use of that revenue for redistribution of the wealth of this nation. Oil and gas tax dollars will now be used for social programs and many other programs requiring wealth distribution instead of entirely for maintaining energy self-sufficiency for the future.

One can argue whether such a commodity as energy, which is basic to the well-being of the entire society, should be used as a means for wealth redistribution. Some of that wealth redistribution will be done rather ingeniously in terms of Canadianizing industry. You collect through the PGRT tax and turn around through the PIP program and give and promote Canadianization. Some will be used for Canadianization. Some will be used for wealth redistribution.

The fifth over-all policy is some international assistance, using Canadian energy dollars through Petro-Canada International. The sixth is the energy substitution program through Canertech which will be structured in this legislation.

In connection with the effect of the National Energy Program on the industry under provincial jurisdiction, particularly Alberta, it has produced some results in the last several months, in effect over the last couple of years. The first result has been chaos. It has brought uncertainty as to who is in control, by how much, who is to take how much money, how much is to be left to the industry and how much is for the little