

The Budget—Mr. Bob Jarvis

interests to change over to natural gas, which is in abundant supply.

The hon. member for Outremont (Mr. Lalonde) said it is a scandal that we are selling our resources of natural gas. This is not so at all. We have tremendous reserves of natural gas that were the result of exploration during the period 1975-78, and there has been no return whatsoever to the producers on the billions of dollars spent in finding that natural gas.

I would like to comment on our natural gas reserves for just a moment. In Canada we now produce 2.5 trillion cubic feet of natural gas per year. In Canada we use 1.5 trillion cubic feet of natural gas and we export the balance at the present time to the United States as part of our export program and our trades and swaps program to try to obtain more oil for this country.

We have tapped and proven reserves of 72 trillion cubic feet. In addition, we have proven and probable reserves in the high Arctic. We have proven reserves of about 15 trillion cubic feet and estimated or probable reserves at a 50 per cent recovery rate in the high Arctic of another 150 trillion cubic feet. We have now discovered tight gas with reserves of up to 400 trillion cubic feet. At the price to which oil and natural gas has now moved in Canada following the budget address of Tuesday night, upwards of 40 per cent to 50 per cent of this tight gas can be recovered. These reserves are located in the foothills of Alberta. We have natural gas for all of Canada's current needs and future needs, including all possible conversions from oil to natural gas that this country requires during this century.

Some hon. Members: Hear, hear!

Mr. Jarvis (Willowdale): We should all thank God that we have these reserves because if they were not there, just think of the mess we would have been in with the Liberal oil policy.

An hon. Member: Right on.

Mr. Jarvis (Willowdale): At the same time as this conversion program is taking place and Canadians are switching to natural gas, we will have to re-evaluate and reappraise our resources in hydro electricity. We will have to go back across this country to find out just where and how we can use hydro power.

There is a program now in Newfoundland in the lower Churchill area which is under study by the provincial and federal governments and which will hopefully bring more hydro power into the maritimes and Quebec grid. But we cannot stop there. We have to look at all of our capacities in this area.

Also, in the maritimes—we have to use our coal resources to produce electricity. A very scary fact, Mr. Speaker, is that if you go through the maritimes you will find that electricity is produced in the most inefficient and wasteful manner possible. For example, all the electricity in Prince Edward Island is produced by burning oil, not coal, not hydro, not other sources. We must look at the cost of converting all of the oil-fired electric plants in the maritimes to other sources of energy,

[Mr. Jarvis.]

which will include coal. It is the coal resources in the maritimes that will provide an energy base as soon as we work out the problems associated with the burning of coal and at the same time protect the environment. This must be a first priority.

In addition, we must reappraise and re-evaluate the nuclear question in Canada. Nuclear-produced electricity now provides about 3.5 per cent of the total energy generated in this country. We must look at that program and see whether or not it should be expanded, given always that in any nuclear expansion program we must find proper ways of maintaining and running these plants. At the same time we must find a usable, proper means of storing or disposing of the waste products from nuclear activity. The obligation that is incumbent upon us as a government is to find ways of doing this properly and within the Canadian context so that Canadian citizens understand that we are using our resources properly, effectively and safely at all times.

Some hon. Members: Hear, hear!

Mr. Jarvis (Willowdale): The future does not bode well for the world in terms of energy if we continue to use non-renewable resources.

While Canada is richly endowed, the balance of the world is not richly endowed. There is a world shortage of non-renewable energy or hydrocarbon sources. As I have said, Canada is well endowed but we do not stand alone or isolated from the balance of the world. We cannot build a wall around ourselves and say that we are not responsible for our fellowman. As human beings we are responsible for our fellow man and we must face up to that obligation. Accordingly, it is incumbent upon this government—this is one of the reasons that an energy bank has been announced—to find ways of using effectively, safely and properly the renewable energy sources with which this universe is endowed.

We cannot turn our heads from the biomass process, which is the reclaiming of energy from plant material. We must look closely at solar energy and see if we can effectively use this form of energy. This is one of the reasons that solar energy is being actively pursued in my department, the Department of Energy, Mines and Resources, and in other departments. We must also look at wind and the geothermal process. There are a number of programs in these areas that are in the experimental stage. However, they will require massive amounts of money.

If I could put it this way, Mr. Speaker, there is some good news and there is some bad news. In terms of renewable energy sources, the good news is that Canada is richly endowed. The bad news is that it is expensive to find means of using these sources. That is the down side. But Canadians are not fools. Canadians are not prepared to stick their heads in the sand any more. Canadians want to know that they are facing this challenge head on. That is why the budget of the Minister of Finance is acceptable to the people of this country today.

Some hon. Members: Hear, hear!