

Petro-Canada

The minister has the tool at his hand when we pass this bill. The compensation payments program was designed to see that those who live east of the Ottawa Valley get crude oil at a price uniform with the rest of Canada, and it was a good program. But if the companies are going to take advantage of it to rip off the federal Treasury then the time has come for the minister to say that oil will now be imported not by the private sector of the oil industry but through Petro-Canada.

As the minister said this afternoon, nearly all the oil-producing countries have nationalized their oil industries . . . in the Middle East and in Africa. I notice that the Prime Minister of Venezuela has notified his parliament that legislation will be introduced within a week or two to nationalize the oil industry in that country. In most of these countries, particularly Iran, Venezuela and Saudi Arabia, they have said publicly that they would prefer to deal on a state to state trading basis. Actually, the Shah of Iran went so far as to say a short time ago that he was prepared to reduce the price of crude oil sold by Iran, on a state to state basis. He will not do this for multinational oil companies because he knows they will stick the difference in their pockets and not pass it on to consumers. But he said he was prepared to reduce the price of oil sold to state trading corporations. Brazil has set up a state trading corporation which is to purchase oil and enter into country to country trading agreements. There is no reason why Canada cannot do it too.

● (1640)

The minister now has the opportunity to establish the Petro-Canada Crown corporation as an oil marketing agency which will handle imported oil, so that we could on the one hand make sure that the compensation payments we are presently making are not part of a rip-off and, on the other hand, make the best possible deals with oil producing countries which are prepared to sell oil on a government to government basis.

Let me close by saying that the situation in this country is far too serious for us to be satisfied with timid measures which are neither fish, fowl nor good red herring. This country faces an energy crisis which, over the next ten or 15 years, can be extremely serious for the people of Canada. I think the crisis can be met successfully, although not easily. But we will not meet it with a Crown corporation which will be stuck up in the Arctic or used merely as a showpiece, to indicate that the government is making the proper genuflections in the direction of public ownership.

If we are to meet this crisis, there must be fundamental changes in the oil industry in Canada. The oil industry in Canada must be restructured. That can only be done if the government is prepared to act boldly, if it is prepared to break the oil cartel which has bled this country almost white, and if it is prepared to step in courageously and follow the trend which is becoming apparent all over the world, the trend which is making the production and distribution of fossil fuels the concern of a public utility.

[Translation]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, some time ago, I was looking through Bill C-8 and I saw that the government wanted to set up a corporation at a cost of

\$500 millions. I looked into my pocket to check whether I could buy a few shares of that corporation, but when I read a little further the recommendations of His Excellency the Administrator of Canada, I saw that the shares were \$5 millions each. I quickly withdrew my hand out of my pocket and I read further again in the bill to discover what benefits Canada would gain from the establishment of that corporation, which would be called Petro-Canada.

Mr. Speaker, after hearing the previous speakers, members will have understood that this House has before it a bill introduced by the hon. minister of Energy, Mines and Resources (Mr. Macdonald). Their speeches have a strong smell of socialist government.

I was surprised to see the reluctance of the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) towards this bill. It seems that in his opinion, this bill is not quite totalitarian enough.

Mr. Speaker, the thinking underlying this bill is illustrated by the way all the clauses are printed: they are on the left page and this bill is also a leftist bill.

This bill also provides for the potential transfer of the shares of Panarctic Oils limited. The purpose of this bill is to control every oil-related aspect in Canada: research, exploration, production, import and distribution in Canada.

Mr. Speaker, it is like giving a blank cheque to a corporation of 15 people who will control this energy source which, even if it is depleting, is still important for some years to come.

In this bill, I have been surprised that I did not find, as would have been the case if the government had wanted to be sincere, other energy sources the Corporation could research on. It is as if oil were the only energy source which could be found in Canada's underground. We are aware of the fact, Mr. Speaker, that we have already succeeded in developing nuclear energy sources in Canada. We have not done much in the area of solar energy but we know that in the nineteenth century already, fairly conclusive research has been carried out in Europe. This development was not continued, and I do not know why. But now that the main source of energy in the world is drying up I think we must look elsewhere.

● (1650)

We were given a report at the time of the famous oil crisis in the autumn of 1973. Newspapers carried out research and determined that at that time, in 1972, known conventional oil reserves in Canada were about eight billion barrels. Considering the projected increase in consumption, Canada's need could be met for 11 and a half years.

Indeed, Mr. Speaker, a recent report showed the accuracy of the previous one. We are also told that non-conventional reserves, that is tar sands, were estimated at between 300 and 770 billion barrels but that it would cost between \$20 billion and \$30 billion to develop those reserves. That is how things stand.

Mr. Speaker, known oil reserves are not limited only to Canada, and are not depleting only in Canada.

In 1972, known reserves in the United States were good for about ten years which represents world reserves of 5