

*Petro-Canada Act*

Over 20 years ago, when the full oil and gas potential of the Canadian frontiers was unknown, the federal government's resource management regime encouraged exploration. The pace was often slower than we had hoped, but in the end it was successful to a certain extent. Now the new oil and gas act promises to accelerate activity on the Canada lands. Oil and gas were found, and the good news of these discoveries is one of the factors which has required the major thrust of Bill C-101, the increase in the authorized common share capital of Petro-Canada.

To produce oil and gas from frontier locations will require huge investments. Petro-Canada has an interest in many of the discoveries and it must be able to pay its share of development costs. Also, it has a stake in other important oil projects such as Alsands, but it does not have the same access to capital markets as its private sector partners. It cannot issue shares in the private market and must rely on equity contributions from the Government of Canada to meet its responsibilities.

While petroleum developments form a large part of its financial responsibilities, exploration is also significant, and the corporation needs access to additional capital if it is to maintain its interests and its holdings. Continued participation by Petro-Canada in the search for and development of new oil sources is a fundamental part of the oil supply and Canadianization objectives of the National Energy Program. Not only does this Crown corporation give the people of Canada a share in the ownership of the oil and gas industry, it will take the lead in providing Canadian companies with opportunities to participate in energy projects. Joint ventures are already underway, and more such opportunities will be provided as Petro-Canada obtains the necessary funds to undertake its share of exploration and development. Where would Sable Island or Hibernia be if it were not for Petro-Canada; let hon. members opposite respond to that one.

● (1900)

**Mr. Andre:** Mobil found Hibernia.

**Mr. Dingwall:** Petro-Canada is a new company with a very heavy emphasis upon frontier exploration, non-conventional oil, and research and development for unique Canadian conditions. As with a similar ambitious young company in the private sector, it needs more money than is provided by its cash flow. Without the same access to capital markets which would be enjoyed by a privately-owned company, it must look to its sole shareholder, the Government of Canada. Also, if it is to plan effectively, it must have its capitalization assured.

The bill proposes an authorized capital ceiling of \$5.5 billion, but as \$500 million has already been issued and a further \$100 million contributed in respect to the interest in Panarctic Oil Ltd., the total additional capital provided by the bill is \$4.9 billion. In considering this figure it is useful to remember that \$4.9 billion of new funds is a very small share of the total energy expenditures of roughly more than \$300 billion which is predicted for the country in this decade.

Petro-Canada has not enjoyed the support of all hon. members of the House in the past, particularly those in the Conservative Party of Canada, but it has enjoyed the support of the people of Canada who are far superior in their intellect and their ability to grasp the difficult situations and issues which Canadians must face. I am confident that Canadians across the country support the idea that Petro-Canada should take an active role in frontier exploration and development, in non-conventional oil, and in research and development. I am confident they feel that Petro-Canada should have the capital to undertake its share of the energy developments which will give the country the oil self-sufficiency to which its rich energy endowment entitles it.

**Some hon. Members:** Hear, hear!

**Mr. Deputy Speaker:** Is the House ready for the question?

**Some hon. Members:** Question.

**Mr. Deputy Speaker:** Is it the pleasure of the House to adopt the said motion?

**Some hon. Members:** Agreed.

**Some hon. Members:** No.

**Mr. Deputy Speaker:** All those in favour of the motion will please say yea.

**Some hon. Members:** Yea.

**Mr. Deputy Speaker:** All those opposed will please say nay.

**Some hon. Members:** Nay.

**Mr. Deputy Speaker:** In my opinion the yeas have it.

*And more than five members having risen:*

**Mr. Deputy Speaker:** Call in the members.

The House divided on the motion (Mr. Lalonde) which was agreed to on the following division:

*(Division No. 164)*

YEAS		
Messrs.		
Althouse	Chénier	Dupras
Anguish	Comtois	Duquet
Axworthy	Corbin	Erola (Mrs.)
Bachand	Cosgrove	Evans
Beauchamp-Niquet	Côté (Mrs.)	Ferguson
(Mrs.)	Cullen	Fisher
Bégin (Miss)	Cyr	Fleming
Benjamin	Dawson	Fliis
Blais	Deans	Foster
Blaker	de Corneille	Fox
Bloomfield	de Jong	Frith
Bockstael	Demers	Fulton
Bossy	Deniger	Garant
Broadbent	Dingwall	Gauthier
Burghardt	Dion	Gendron
Caccia	Dionne	Gimaiel
Campbell	(Northumberland-	Gingras
(Miss)	Miramichi)	Gourde
(South West Nova)	Dubois	(Argenteuil-Papineau)
Campbell	Duclos	Gourde
(Cardigan)	Dupont	(Lévis)