

I can tell the House one thing for certain. Under the rules of the energy pricing agreement signed between the province of Alberta and the federal government in September, there is not a chance of that in the world. I am not the only one who would not invest a nickel in the oil and gas industry in this country today. There are hundreds of thousands of people who would not invest one cent, because there is no incentive. Understand me, there is no incentive; and that is why I say there is very little chance we are going to make any significant contribution to oil self-sufficiency from conventional fields under this government.

This brings me to the heart of this legislation before us. As I said before, we have three chances of finding one million barrels of oil a day, and that is in the oil sands, through conventional oil discoveries, and in the frontiers. What have we got in the frontier areas today? We have the discovery 200 miles off the east coast of Newfoundland in 250 feet of water, and that is in one of the most hostile environments in the world. We think we have another discovery in the Beaufort Sea. The operator of that property has not said categorically that we do have a discovery. They think it is promising but we do not know the potential. Let us assume that it is promising. Hibernia certainly looks very promising, but I ask hon. members to think about this. Do they know how long it took from the original discovery in the North Sea to put North Sea production onstream? It took over ten years to get that oil to market from the initial discovery in the North Sea. While the North Sea is a very hostile environment, it cannot be compared with the environment at Hibernia. We do not have the technology today to get that oil to market.

The unfortunate part of the discovery is that it lies in 250 feet of water which is scoured by icebergs the better part of the year. We do not know how to stop those icebergs from tearing up whatever we put down there to produce the oil. You have to put a valve on the well casing, and somehow or other you have to protect that valve from all these icebergs. We do not know how to do that, but I am confident they will come up with an answer.

The point I want to get across to members of this House today is that it is very unlikely we will see any production from Hibernia until well past 1990. It will be a miracle if we see production from Hibernia before 1990. We should consider ourselves very fortunate that we found the oil. Please do not misunderstand me.

I do not know how many members have ever been in the Arctic or in the Arctic Islands. I happen to have been there and I can say that it is again a very formidable and hostile climate. If you have to go through 20 feet of pack ice with a tanker to get that oil out, I am just not altogether sure you can do it. Perhaps hon. members will remember the *Manhattan* and Esso's experiment in taking the *Manhattan* through the Northwest Passage. It had to turn back. There are icebreakers that probably could get through, but we do not have them today. We do not even know what we have today in the Beaufort Sea, but if we did know we would have to develop it, and that means we would have to go out and delineate the

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reserves. We would have to figure out technologically how to raise the oil to the surface and put valves in place above the ice. We would have to figure out a way to protect those valves so that when the pack ice moves it does not wipe out the wellheads. After we have done all that we have to figure out how to get the tankers in, load them up and take them through the Northwest Passage to market.

If anybody believes we are going to have that oil to market before 1990, they are living in a dream world. I sincerely hope we can get some oil from Hibernia and out of the Beaufort Sea before the end of the century. If we can do so we must consider ourselves very fortunate.

Am I coming to the end of my time, Mr. Speaker?

An hon. Member: Carry on.

Mr. Deputy Speaker: The hon. member may continue with the consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Thomson: What I am saying is that we will not get any oil out of the frontier areas before 1990. We are not going to have very much in the way of new conventional production and the oil sands will not be in production. What is the alternative? We are going to be importing a million barrels of oil a day in 1990. That is how I see it. Are we going to put ourselves in the hands of OPEC, the Arab sheiks, and in the hands of other OPEC countries who may not be quite so friendly? Is that where we want to take our country? Do we want to make our country dependent upon OPEC when we have the reserves to do the job?

This legislation before us in Bill C-48 is not legislation that will encourage production in our frontier areas. The National Energy Program certainly is not going to encourage production from the oil sands or from conventional producing areas. What this legislation before us this afternoon, Bill C-48, does and what the whole National Energy Program does is what I referred to when I said we were playing Russian roulette with the life and economic future of our country. Members opposite do not understand that, and that is why I say I do not think they know what they are doing. Wake up before it is too late.

● (1610)

I had quite a number of other comments to make, Mr. Speaker, but I would like to finish with this. Let us put aside the question of foreign investment in the Canadian oil industry and let us put aside economic nationalism for the moment. Do we want to be known by our friends abroad as a government that steals? Do we want to be known as cheats and thieves? This legislation will put Canada at the top of the list of thieves and robbers. The government is taking property away retroactively. It is confiscating that property with virtually no compensation.

The government says this is not confiscation but compensation for earlier incentives given. If that is so, why were the rules of the game not spelled out when the incentives were