

Adjournment Debate

strip-mining fashion. It can provide the nucleus for our energy resource in that regard.

● (2215)

Canadian Occidental Petroleum has done some initial exploratory work on an area of 1,000 acres of shale deposits with some surface exposure. They found a relatively constant thickness of 250 feet. The hydrocarbon content in the principal zone which was explored is estimated to be from 8 per cent to 10 per cent. The oil has been found to be of a light, sweet nature.

The study evaluation is required because the only area evaluated is this 1,000 square acres. The possibility of surface mining and surface retorting of crude bitumen is a very important potential, one I would like to see the Government of Canada and the government of New Brunswick join in considering. The potential, based on the small sampling done, indicates 15 billion barrels or more of oil. That is well worthwhile exploring. There are some uncertainties. There are environmental aspects which must be looked at and there are some really tremendous job creation benefits. There is also the potential of helping us nationally with our security of supply problem.

The National Energy Program appears to me to underestimate the potential for the New Brunswick oil shales and also the potential for providing a nucleus in a special field of research and development in the extraction technology.

Saskatchewan has a five-year \$50 million heavy oil research and development program. New Brunswick has none. It would be my hope that we would not resort to DREE and its very slender funds to move in this development area. I would like to see it included in the inventories of our National Energy Program and developed in that way. I think it is essential to select a portfolio in research and development investments which recognize our regional diversities. I think if this particular potential is included in the National Energy Program inventory it will not only recognize the regional diversities, but it will provide a tremendous development stimulus in an area which needs it very badly.

I want to thank you, Mr. Speaker, and the House for its indulgence this evening.

Mr. Roy MacLaren (Parliamentary Secretary to Minister of Energy, Mines and Resources): Madam Speaker, as the hon. member opposite has indicated, the New Brunswick oil shales have attracted attention for many years. From time to time efforts have been made to develop them commercially. In the past, such attempts have proved to be uneconomic. However, with the high world price of oil there is renewed interest in the potential of these shale deposits.

The oil shales in southwest New Brunswick are believed to cover between 1,000 and 2,000 square miles. They have not yet been thoroughly explored. It is obvious that a great deal of work needs to be done. Some work is currently being carried out on the evaluation of the potential of the oil shales. Under the Canada-Brunswick mineral and fuels subsidiary agree-

ment, \$60,000 has been spent on mapping the oil shale formations, compiling existing data and some preliminary investigation of oil recovery using microwave technology. A \$75,000 program has just started to examine the use of oil shale as a combined sulphur entrapment medium and heat source when burned with high sulphur coal in fluid bed combustion.

Canadian Occidental Petroleum has large holdings of the oil shale formation. However, the company is expected to relinquish much of its ground next month. When this happens, the province may call for exploration commitment bids on six to eight blocks of 90,000 acres to determine if the private sector is preferred to carry out the work on the resource.

In February, a meeting took place in Ottawa between New Brunswick officials and those of the Department of Energy, Mines and Resources. A technical committee may be established to evaluate the potential of these oil shales.

The National Energy Program makes provision for assisting in the development of oil and gas resources. A proposal for the commercial development of the New Brunswick oil shales would be considered under the terms of the petroleum incentives program in the same way that a proposal for the commercial development of the oil sands in Alberta would be considered. For instance, the depletion allowance for approved expenditures on integrated oil sands projects can be earned at one-third of qualifying expenditures. In addition, there would be incentive payments to companies having a Canadian ownership rate of 75 per cent or more. An oil shale project would be eligible for reference pricing under the National Energy Program thereby providing a price for the product considerably higher than that pertaining to the traditional oil deposits of western Canada.

● (2220)

The New Brunswick oil shales may yet have a role to play in helping to ensure security of energy supply for the Atlantic region. Of course, much work would have to be done to prove the economic viability of this resource. However, for companies willing to take the initiative, the National Energy Program may offer a very helpful incentive.

HEALTH CARE—REQUEST FOR LEGISLATION TO BAN EXTRA BILLING BY DOCTORS

Mr. Bill Blaikie (Winnipeg-Birds Hill): Mr. Speaker, on Monday, March 16, 1981, the Minister of National Health and Welfare (Miss Bégin) confirmed the figures that the CBC had obtained which showed that the Canadian public was paying some \$56 million more for health care than they should have to as a result of extra billing by physicians.

Some 71 per cent of this extra money is being paid out by the people of Ontario who, I might say, already pay for health care through general revenues and through regressive premiums, thus paying three times for what other Canadians pay for once through the tax system. One is truly amazed at the masochism of the Ontario people, demonstrated by the re-election of the Progressive Conservative government just recently.