

large sums of risk capital are required. Total expenditures in Canada at the present time are running at a rate of almost \$2 thousand million a year—some \$5 million a day—half of which is being spent in exploration. It is vital, notwithstanding the government's plans for a national oil company, that the volume of present investment is maintained. The Prime Minister said last Thursday that the pace of exploration had not been as rapid as we would wish. In this, I agree with him. If, however, the Prime Minister really means what he said, why has the government dragged its feet so badly when it comes to providing offshore and Arctic permit and leasing regulations? How can the government expect increased activity or, indeed, any activity at all, when those who are expected to risk large sums in the search have been without rules of the game for almost four years? Action, not words, is what is required. If the Prime Minister truly wants to see increased exploratory activity, let him put some rules and incentives where his mouth is.

● (1550)

In the course of his statement, the Prime Minister placed considerable emphasis on the need for participation by Canadians in the development of their own resources. Canadians and members of this party have been urging the government to make this possible for many years. On January 11 I asked the Minister of Finance whether he would consider introducing fiscal changes designed to enable Canadians to invest in the oil and gas industry on the same basis as citizens of foreign countries. Until now, I presume the government has never thought the ownership of our resources was of any importance to Canada or to Canadians. But instead of letting individuals make their own choices, the Canadian taxpayer is now to be taken to the horse races with the national oil company choosing the horses and placing the bets.

When the Prime Minister spoke of the establishment of what might now be known as the Trudeau petroleum company, he told us nothing about the budget of this company. He mentioned an insignificant sum of \$40 million for research. We shall need to know a lot more about the government's plans for a national petroleum company before anyone can assess what he has in mind. The Prime Minister did say, however, that one of the functions of the company would be to assist and participate in the operations of small Canadian companies. What the Prime Minister completely missed is the fact that today there are more than 150 independent oil and gas companies searching for hydrocarbons in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and most of the maritime provinces. Since the requirement for risk capital is very great, and since the reserves found relate directly to dollars spent, these independent companies depend on financial partners if they are to continue their search. By reducing confidence among all investors in Canada, the actions of the government will eliminate a viable and important factor in the Canadian oil business, one which is already in place. In fact, the independent oil and gas companies have accounted for more than 80 per cent of wildcat or exploration drilling in Canada in recent years.

I want to say something about the price of oil in eastern Canada. In the speech he made on December 6, the Prime Minister said the government did not wish to discontinue

#### *Energy Supplies Emergency Act*

Canadian exports and that it did not wish to reduce imports from reliable suppliers. He said nothing, however, about the price of these imports. Members opposite may not have told their constituents that because Canada would have to pay the world price for foreign oil they will be stuck with higher prices in Quebec and the Maritimes than the rest of Canada will be called upon to pay. This situation is made worse because of the expected price increase of nearly 10 per cent by OPEC countries in January. As a result, the people of Quebec and the Maritimes will be paying up to nine cents a gallon more for gasoline and heating oil than people in the rest of Canada, and will continue to do so. It may not have been made clear to the people in a large portion of Quebec and the Maritimes that the government does not intend to reduce imports from reliable sources. Had the Prime Minister gone on to say that people in those provinces will be paying the world price, and would thus be forever committed to paying more than the rest of Canada which, it now becomes clear, will be living under some kind of price shelter from now on, their reaction might have been different.

[*Translation*]

I hope that hon. members on the other side of the House have understood and clearly explained these facts to their electors.

[*English*]

As to Bill C-236, may I say it is a massive overkill directed to a problem whose existence, or possible existence in the future, has not yet been satisfactorily established by the government. The country has only the government's dubious word that a crisis is developing or could develop. But it is appropriating for itself this vast new authority, ostensibly on a temporary basis. Nevertheless, it is extremely difficult to imagine a government such as the one which presently occupies the treasury benches relinquishing such delicious power should the presumed emergency pass.

I urge the government to get their facts straight and come clean with the Canadian people. Let them make clear to the people of Canada that the price of energy is going to rise. Let them tell the whole story of their pricing policy. I ask the minister of energy to stop trying to fool some of the people all of the time—or is it all of the people some of the time? Canadians are prepared for hardships if they become necessary. But tell them the true facts so that they can decide for themselves.

In closing, Mr. Speaker, I would also urge the government to recognize the vital role energy has played and can play in shaping the future of our country, and stop attempting to play politics with this essential resource, a course which in the end will prove disastrous and greatly to the detriment of all Canadians.

**Mr. Duncan M. Beattie (Hamilton Mountain):** Mr. Speaker, the bill we are debating was tabled on Wednesday of last week with much fanfare and hoopla. Since then, we have become convinced of something we have suspected for a very long time. We are now convinced that the government knows no more about the energy situation in Canada today than it did last month, or even last year. In fact, judging from the conflicting statements which