

his purview to make these changes—the necessity for a complete revamping of the oil industry to give him some measure of marketing and distribution control and some say in the way the resources of this country are allocated. Otherwise control will be in the hands of those who are in command of the oil industry, namely, the international companies. The consumers are already paying tribute to them. It has been estimated that every gallon of gasoline bought in this country costs five cents more as a result of the inefficient manner in which the oil industry has been developed. One has only to look at the pattern of development in the west, at the underutilization of wells in provinces like Alberta, to observe how wasteful this development has been.

● (4:50 p.m.)

The minister points to this legislation and indicates that it will help in this connection. I do not deny it will be of some assistance. But it does not get to the crux of the problem, the way in which oil is marketed and transported in this country, and until something is done along these lines nothing much will be solved. What happens if the companies do not want to sell the output? After all, the major producers are also the major retailers of oil. Suppose they do not wish to take oil from the Northwest Territories; what will he do? If the minister wishes to answer that question now, I think the house would be interested in hearing his reply.

[Translation]

**The Acting Speaker (Mr. Béchard):** Order. The hon. minister has already spoken in this debate and unless the house gives unanimous consent to allow the minister to reply to the question asked by the hon. member for Waterloo (Mr. Saltsman), he will not be able to do so.

[English]

**Some hon. Members:** Agreed.

[Translation]

**Mr. Chrétien:** Mr. Speaker, Bill S-29 we introduced is precisely intended to cope with the problems referred to by the hon. member for Waterloo.

This legislation gives us the power to require the industries to combine their interests to the best advantage of all Canadians. This conservation committee is going to do just that. However since the growth and

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development of oil resources in the North were partially ensured up to now by private enterprise, we deem it fair and reasonable that it should be represented on this committee.

We say there will be at least two representatives who are not the public service employees.

But that does not mean that we do not intend to take the necessary steps to have those resources developed in the interest of Canadians, rather than in the interest of the operators only.

Reading the legislation, one can see that we intend to take the necessary action to avoid a loss of energy or too much capital investment in proportion to the returns, as it has probably happened in the province of Alberta, according to what the hon. member said.

We hope to do it with the help of this legislation. And it is not only the presence of three civil servants on the committee that will allow us to do so. The regulatory powers are still in the hands of the minister and the objectives are well known.

However, since the minister himself cannot deal with all the problems, we thought it reasonable to set up this committee.

Three public service members will be appointed if necessary, so that the Canadian public can be assured that never, if we so wish, the private enterprise concerned in the northern development will control that committee.

However, if we insist upon three members being from the public service, it is possible that people from outside the public service may not be able to serve, even though they have Canada's interests as much and even more at heart than some public servants.

Let us suppose that my hon. friend decides tomorrow to retire from politics, I may not have even if I think he is competent enough, free scope to offer him membership on such a committee.

So I think that those who fear that the committee might be entirely controlled by private enterprise in the North may be assured that this will not occur, and that the government has no intention of repeating in the North errors that were made elsewhere.

The very fact that this is mentioned in the legislation and that we may express those views here in the house should be clear enough to my hon. friends.