



Statements and Speeches

No. 75/20

MOVE TO ESTABLISH A NATIONAL PETROLEUM COMPANY

A Statement to the House of Commons on March 12, 1975, by the Minister of Energy, Mines and Resources, the Honourable Donald S. Macdonald.

It is my pleasure today to rise and move that Bill C-8, to establish a national petroleum company, be read the second time and referred to the Standing Committee on National Resources and Public Works. This bill is a most important element in the Government's long-term planning to secure adequate supplies of energy to meet our national needs. It is firmly rooted in the basic objectives of our energy and resource policies, which are to ensure for Canadians adequate and reliable supplies at reasonable prices, as well as a direct share in the wealth which development of our resources generates.

My emphasis on long-term planning is deliberate and necessary. We harbour no illusions that establishment of a national petroleum company is likely to lead to early and spectacular results in terms of massive energy development or financial success. I want the House to know that we are going into this venture in full realization of the fact that the hazards of exploration risk, technical and commercial uncertainty await this venture. We are nevertheless convinced that the national interests now require a significant degree of federal public enterprise in the oil and natural-gas area. This enterprise will complement other federal efforts in the uranium and nuclear sectors, and reinforce provincial activities in electric power.

The vehicle we have chosen to carry out this function is a national petroleum company. Its organization, structure, objects, powers and duties are described in the bill and summarized in the Administrator's recommendation attached to it. The bill is neither lengthy nor complex, and detailed discussion of its provisions should be held for the committee stage. I do wish to spend some time, however, explaining to the House why this legislation has been brought forward.

Honourable members will recall that the energy-policy review which I published nearly two years ago included extensive description of the role of state participation in the energy industry in Canada and abroad, together with a careful analysis of the benefits and drawbacks which might stem from the creation of a Canadian national petroleum company. The advantages and disadvantages, as represented
