

below the same period in 1974, and, with continuing emphasis on shallow gas plays, footage was down 9.4 per cent. The tally for 1975 is expected to be only 3,800 wells and 12.9 million feet of hole, compared to 4,070 wells and 13.7 million feet of hole last year.

Recent statistics indicate a total of 2,849 exploratory and development wells were completed in western Canada, including all areas north of the sixtieth parallel, in the first three quarters of 1975, for a decrease of 138 from the first three quarters of 1974, while footage was more than one million feet to 9.6 million feet. The disappointing decrease in activity was reflected in the average rig count, which fell to 127 units for the nine months—a drop of 18 per cent from last year. This represents a utilization rate of only 46.7 per cent of the 272 rigs available for work. The number of rigs working in eastern Canada—Quebec, the Atlantic provinces and offshore—averaged three, compared to four last year.

The statistics speak for themselves. Both development drilling and wildcat drilling activity is substantially reduced from last year. In short, Mr. Speaker, thanks in large part to the policies of the federal government, Canada has substantially less exploration for desperately needed sources of energy at a time when substantially increased activity is required. The task of developing new energy resources deserves, and should be given, the highest priority by the federal government and appropriate policies and regulations put in place to ensure that the necessary capital will be available and the necessary exploration and development work carried out as rationally and expeditiously as possible.

As indicated many times by various sources, between now and 1985 the petroleum industry in Canada will have to spend some \$50 billion to find and develop new resources and to install necessary transportation systems. Additional billions will have to be spent on the downstream side to expand refining capacity and product distribution systems. Where is this money to come from? Well, Mr. Speaker, it will have to come from several sources, including existing companies' internal cash flow, the attraction of investment and cash flows from other non-petroleum industry companies and from a multitude of private investors both within and outside Canada. This magnitude of investment, however, is contingent on a financially healthy petroleum and natural gas industry and the recognition by governments of the exceptionally long lead times and extremely high risks involved in this industry. Co-operation, rather than confrontation, with the industry and the provinces is required.

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment

Energy Conservation

are as follows: the hon. member for Richmond (Mr. Beaudoin)—Industry—Footwear—Request for probing of imports; the hon. member for Winnipeg North Centre (Mr. Knowles)—Veterans Affairs—Date of decision on bill to implement recommendations of committee on war prisoners' and widows' pensions.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—ALLEGED FAILURE OF GOVERNMENT TO CARRY OUT EFFECTIVE ENERGY RESOURCE CONSERVATION PROGRAM

The House resumed consideration of the motion of Mr. Gillies:

That this House regrets the government's failure to carry out an effective energy resource conservation program and, in particular, call upon the government to answer the criticism by the International Energy Agency that "there appears to be a substantial gap between principle and practice . . . that the (Canadian) cabinet appears to have accepted the goal of conservation without recognizing the need to implement the goal with specific actions."

Mr. Balfour: Mr. Speaker, other areas of the world are competing for development dollars and there is every evidence that Canadian technical expertise and personnel are being lured away by greener pastures in the United States and elsewhere. I call upon the government to encourage, rather than discourage, exploration and provide a suitable operating environment within which the industry can perform its function. If this is not done, the people of Canada will be the losers.

Mr. Frank Maine (Wellington): Mr. Speaker, first I should like to congratulate the hon. member for Don Valley (Mr. Gillies) for bringing this motion to the attention of the House and to the country generally. There is no question that all Canadians need to be more aware of the energy situation and of the options open to us. Conservation is unquestionably a major aspect of these issues. Let me hasten to add that I am in complete agreement with the hon. member for Roberval (Mr. Gauthier) who pointed out that the motion before us is too limited. Conservation is only one aspect of the multivariable energy program.

To put conservation in perspective I should like to say a few words about the total energy program. In the short term there is little doubt no time exists for research and development to be done. We shall be obliged to use existing materials, gas and oil, along with other technology which is readily available. I refer to nuclear fission, the CANDU reactor. Its technology is available; it is a matter of capital. Coal is the other source of energy in the short term. It is readily available and the economics are favourable here. We have the technology to convert coal into coke, a by-product of the steel industry, and into electricity through thermal plants. The difficulty here is that of mining the coal and transporting it to the marketplace—again a matter of economics.