

all the major oil supplies in the western world started to put the noose around their necks. Today we are still at the mercy of the OPEC countries. My God, it staggers the imagination when we sit here and think about how much money has to be invested in the oil industry in Canada for us to even reach energy self-sufficiency or oil self-sufficiency by the turn of the century.

The people who are continually attacking the United States oil companies, the parent companies in the United States, are the same people who turn around and say, "Please come back and invest in our megaprojects. Come and invest in Imperial Oil at Cold Lake, but get out of the conventional areas. We do not want you there any more. You do not serve any purpose there any more." They say, "Come in, Shell Oil, because we need you up in the Alsands Project in Fort McMurray, but get out of that western basin. We do not want you there. Canadianize or you will not have the chance to participate in the oil play in Canada."

The government is moving to Canadianize the oil industry. For the past 20 years we have heard talk about Canadianizing the oil industry, Canadianizing our manufacturing industry, Canadianizing our auto industry, and Canadianizing all our industry. Let us buy Canada back.

I say to you, Mr. Speaker, and to fellow members, you cannot buy Canada back until you have the money to buy it back, if this is what you are talking about. You sure do not do this by using the taxpayers' money to buy Petrofina or to establish a government Crown corporation for show.

What kind of future is there? We have the oil and we have the resources in Canada. Alberta's Energy Resources Conservation Board held hearings last summer. Here are some of the findings that came out of those hearings: there are close to 6 billion barrels of oil in the deep basin area around the province's western boundary, enough to supply the country at current consumption rates for eight years. Whether it is recoverable depends on the price. Of course it depends on the price. What entrepreneur is going to invest in a hole in the ground unless he knows he has a chance to receive a decent return on his investment? I am not just talking about the foreign oil companies; I am talking about the Canadian oil companies.

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The Alberta report indicated:

It will take 30,000 more wells to gain maximum recovery from oil reserves now in place. This represents about half the discovered oil in the province.

It is indicated that 30,000 more wells must be drilled in the western basin to recover what they know is there. I urge hon. members to do a bit of arithmetic. Approximately 250 rigs are presently drilling in the western basin. They take anywhere from six months to eighteen months to complete a hole. How long will it take to drill 30,000 holes? The rigs are not staying in Canada. They are pulling out. They are leaving because the incentive is gone. There is no incentive to drill in Canada any more. They are moving out of the western basin. They are moving out of a business climate which was fair, equitable and stable to go to the United States and to Australia. We have

lost the expertise, the rigs and the people. They will not return because an agreement was signed with Alberta. The government became greedy, took too much, and has not left enough for the industry. In turn they have said that that was it. The report states further:

Alberta wells are now pumping five times as much water for the same volume of crude as they pumped in 1970.

This was eleven years ago. It continues:

Enhanced recovery methods have the capability of producing slightly more than half the oil which Alberta is now pumping.

Before the industry will go into enhanced recovery, it needs the incentive and the dollars to invest in enhancement recovery schemes. It continues:

Though discoveries in the last two years have improved Alberta's supply of conventional crude beyond what was expected in 1978, these improvements have been offset by the fact that existing pools are declining faster than expected.

From 1978 until the national energy policy was brought forward by the government a year ago this month, things looked pretty good, but the amount of oil was declining much more rapidly in existing pools. It continues to read:

The largest pools existing in Alberta have already been discovered and "future discoveries will generally be relatively small and scattered."

This is true except of course for the deep basin. It has not yet been explored but it is there. It continues:

By 1990 production of conventional crude oil from existing pools in the province will have declined to 32 per cent of present production and by 2000 to 10 per cent.

The declining known resources which they are pumping today in the western basin will decline to approximately 10 per cent by the year 2000. Where is that oil coming from? By the year 2000 there may be something from the Beaufort Sea and Hibernia. It will not be from the western basin because the incentive has gone. The industry has been chased out of the country. The report continues:

—*The Financial Post* predicted that by the mid-1980s Canada would face an oil supply crisis—

This oil supply crisis will be of severe magnitude. They asked what would cause it. It was the shrinking of supplies from Alberta, coupled with the uncertainty of supplies from overseas. Canada was already importing 18 per cent to 20 per cent of its crude oil supplies. At the ERCB hearings, they talked about how they could get Canadian industry more involved, how they could get them working and searching for oil which is much needed by the economy. The report continued:

"The Petro-Canada forecast of reserve additions and production reflects essentially a continuation of the existing pricing and fiscal regime."

Already they sound like bureaucrats. It continues:

While it is not possible to put great precision on the relationship of additional supply to price increases, there is considerable evidence that the increased netbacks realized by producers of natural gas over the past five years have resulted in a greatly improved supply situation.

Petro-Canada is now adopting this bureaucratic language. What it means in plain, unbureaucratic language is that there was an incentive for people to go out to find natural gas. They knew if they found it, they could sell it. They knew if they sold