

Energy Supplies

If you want to know what is wrong with a national oil company let me refer you to this publication of the government of Canada called "An Energy Policy for Canada", Phase I, published in 1973. Beginning at page 189 and continuing for three pages there appear eight good reasons why a national oil company is not desirable. Obviously whoever wrote this was not successful in having it read by the ministry because the reasons are all there why a national oil company is not a good idea. Those in the ministry would not listen.

There is not time for me to go into all the details of our plan of action in respect of Crown corporations when we take over, but let me give you some idea of what will happen, by this little anecdote about the Alberta Gas Trunk Line. Alberta Gas Trunk Line is a company created in 1956 by the Alberta government for the purpose of gathering gas in the province for delivery at the borders to TransCanada Pipelines and other purchasers. It is a utility company, a monopoly.

Instead of creating a Crown corporation, which seemed natural and which the people opposite would have done, Ernest Manning, then premier, offered the shares of this company to the citizens of Alberta. In that way he created a privately owned corporation, the shares of which are widely held by Albertans. It is regulated by the Public Utilities Board. Instead of being struck with a Crown corporation, today we have the Alberta Gas Trunk Line, one of the most dynamic and active companies in the country doing a superb job in the energy industry. What a tragedy if Ernest Manning had the mentality of that lacklustre bunch over there and had left the Alberta Gas Trunk Line as a Crown corporation. Instead of a Crown corporation we have an active and widely held privately-owned Canadian company.

The people of Germany had the good sense in the post-war period to elect the conservative government of Adenauer, who in turn had the sense to appoint Ludwig Erhard as his financial minister. He proceeded to put together a number of state-owned companies, companies like Volkswagen, a name that is very well known now. In 1958-59 Mr. Erhard said that the state did not need to run these Crown corporations, but should sell the shares to the people of Germany, and that is what he did. He offered the shares to people in Germany earning salaries of under \$3,800 at the time. This included the Volkswagen company and a company called Preussag mining and oil company of Germany. Instead of Volkswagen and Preussag being state-owned companies they are companies now owned privately by the people of Germany. The people purchased these shares offered to them by the finance minister.

Right across the North Sea in the United Kingdom the people had the misfortune or bad judgment to elect the socialist government of Clement Attlee which followed the opposite procedure of nationalizing companies. Whereas Erhard made them privately-owned, Mr. Attlee took them all over and nationalized them. Can anyone with any sense look at the record and note what has happened to companies like Volkswagen, one of the largest automobile companies in the world, as compared to the British motor companies which the U.K. government nationalized under a state-owned corpora-

[Mr. Andre.]

tion, and still advocate state ownership as a solution? No, Mr. Speaker, we should follow the example of Ludwig Erhard with regard to the 400 Crown corporations the government has created. If there are lessons to be learned internationally we should learn from the winners, from Germany, Japan, Switzerland or the United States, none of which have state-owned oil companies. We ought not to be running around the world trying to learn lessons from Indonesia, Kuwait or Iran. Let us do what the winners have done, instead of following the path of the losers.

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Let us do what Germany has done, not what the United Kingdom has done. Let us sell out these Crown corporations to Canadians, let us not go through the process of nationalizing more and more of the oil industry.

I should like to bring it to the notice of members over there that in the last five years a revolution has been going on in Calgary and in the oil industry generally. The percentage of companies owned by Canadians has been increasing at a significant rate. Today, the movers and shakers in the industry out there are largely in Canadian-owned companies. They were responsible for drilling 85 per cent of the exploration wells last year. There are myriad success stories out there involving Canadians who have become important actors in the oil and gas picture. This is the wrong time for the government to interfere with that process, using the heavy hand of Petro-Can, because finally, after years of neglect we have in place a tax scheme which allows Canadians a chance.

Wait five or ten years and the majority of the oil and gas industry will be owned by Canadians. Let ministers over there pay attention to policy not to details. The Minister of Indian Affairs and Northern Development should get his act together and replace the regulations pertaining to northern land use which were withdrawn in 1970. Those regulations were withdrawn nearly nine years ago, yet so far nothing has been put in their place. Talk about incompetence. Ministers should concentrate on the responsibilities which fall within their bailiwicks and let individual Canadians who are operating in this business right now get on with it. They will find the oil and gas we need, and we shall have a secure and happy future.

Some hon. Members: Hear, hear!

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the hon. member for Calgary Centre (Mr. Andre) finished his speech with a burst of eloquence. He felt the government, in developing an oil policy, should follow the winners, that they ought to avoid state-ownership. He believes they should follow the lead of the Seven Big Sisters who control the industry over a large part of the world, certainly in North America.

I want to ask him to give some thought to this: when you talk about winners, you should decide who they are. Take North America where the great oil monopolies have controlled the production, refining, and distribution of oil in Canada and in the United States. Today, the United States, which was