

Petro-Canada

and Resources. What happened to the millions of barrels of oil that were purchased, while afloat, at about \$30 a barrel and then never used? Where is that oil? Maybe the minister can tell us. Was it consumed? If not, what were the storage charges to be added to the cost of acquisition? If it was disposed of, what was the price of disposition? What was the sale price? What was the total loss or cost to Canadian taxpayers? What organization bore that loss, or is that some hidden expenditure well cushioned behind some fuzzy figures and vague descriptions that may appear either in an estimate or supplementary estimate? These are answers we want with regard to the operations and the background of this organization.

Notwithstanding what the House may think about this bill, if this organization should become a fact where will it get its trained personnel? Who will put that team together? With regard to what operations will they be trained? Where will they acquire the experience to bring them up to the peak of efficiency that is supposed to be their lot? How long will this take? What will be the investment in the training and development of this corporation before it becomes a reality and starts to produce for the benefit of the Canadian people?

Yesterday, over television, I heard the Premier of Saskatchewan, an old friend of mine, talk about Sask Oil, something they put together quite some time ago in their doctrinaire approach to the development of natural resources in that province. I am surprised that the people of Saskatchewan tolerate it. In the late forties or early fifties they had the classic example of a previous administration under the direction of the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas).

Mr. Knowles (Winnipeg North Centre): Careful!

Mr. Lambert (Edmonton West): Saskatchewan lost a golden opportunity to have the first foot in the door with regard to Interprovincial Pipe Line and the disposal of its petroleum products in an eastern Canadian market that was hungry for those products and able to absorb them. How they worked at it! One had only to be there to see the blind foolishness. I agree that some profit was made by certain people, but it was not the oil industry. They now have this outfit called Sask Oil. Premier Blakeney says they are drilling the odd hole. It will be interesting to see just what they will get, and how far the people of Saskatchewan will get with that outfit in comparison with the Canadian independents that were operating in Saskatchewan. Remember, it is the Canadian independents who were chased out of Canada. Although it may be the international conglomerates which are sitting on top of the developments, the actual drilling was being done by the independent drilling companies, or at least 80 per cent of it was. All this, including the servicing and everything that went with it, has been knocked on the head.

● (1640)

I am suggesting to you, Mr. Speaker, that it will be a decade at least, maybe 15 years, before the company we are being asked to establish, Petro-Canada, ever returns a penny by way of benefit to this country. In the interval, it will cost us thousands of jobs and millions of dollars as taxpayers. It will raise false hopes among certain people,

and its presence will serve to discourage those who want to get on with the business. After all, the government has much more clout in the financial markets than have the independent companies. Talk about conflict of interest, or vested interest! Here is the Government of Canada actively engaging in competition with private firms, whether Canadian or international, and deciding what the tax structure is to be. Not a penny would be paid by Petro-Canada. In any case, that company would have no income. But what about the tax penalties imposed upon the private sector?

Mr. Speaker, I hope the House will vote against this bill and kill the ignominious corporation we are being asked to set up.

Mr. Peter Elzinga (Pembina): Mr. Speaker, the Minister of Energy, Mines and Resources (Mr. Macdonald) has described to us in glowing terms how the introduction of Bill C-8 will "ensure for Canadians adequate and reliable supplies of energy at reasonable prices". I am not sure what the minister considers to be a reasonable price. It is a matter of relativity, I suppose, but I find it difficult to believe that \$1 billion is a reasonable price. The reasonableness of this amount is even more questionable when one realizes that it will be spent to buy a service which we already possess, and a bargain at any price, even at \$1 billion, is no bargain if it is something one already has.

What the bill before us will do is establish yet another Crown corporation and, worse still, an unnecessary one. The means of assuring Canada's fair share from her natural resources is available right now. The minister says the new Crown corporation will be able to "mobilize capital on an important scale." What he is really saying is that more tax dollars will be mobilized right out of our pockets. I would point out that the government, just a short time ago, invested over \$300 million for a 15 per cent share in Syncrude, which was an investment into our resource development. The ability to make future investments is already an actuality. Why should the Canadian taxpayer be asked to pay \$500 million to \$1 billion for something he already has? I doubt that the taxpayer will be asked, though, and I doubt very much if the government would really want to hear the answer.

We are reminded that we already hold nearly a half interest in an oil company, Panarctic Oils Limited, and that for eight years this company has carried out extensive exploration operations in the north. Yet one of the reasons we are given for the creation of Petro-Canada is that we will be able to assist in oil exploration. Why does the government not concentrate on assisting the companies already in existence? Why does it not encourage private enterprise and initiative, rather than establish joint operations? Surely, companies which have been operating within the framework of government, or working jointly with government, or even in competition with government, know all too well to whose advantage such arrangements work.

The minister said that the directors "from time to time . . . may judge that short-term profit maximization is not in the interest of the shareholders." The shareholders are, of course, you and I—the Canadian people. In the next breath he tells us that the capital resources will be so substantial that we should be able to expect a significant