

*Canada Oil and Gas Act*

or not the federal government has a part ownership. I believe it makes no difference whatsoever.

What is most important, as far as the people in the area are concerned, is the price they pay for a gallon of heating oil or gasoline. I can tell hon. members that the price of those commodities right outside the refinery gate is about 20 cents a gallon more than in Ottawa. Therefore, what advantage is there to the people who live there and must rely on the oil and gas production of that refinery? What is the advantage of the one third federal government ownership? I suggest there is no advantage.

What about the people who live there who are involved in exploration, the gamblers? They are willing to risk money to find oil. If they get one break, they come out of the deal financially healthy.

I know quite a few people who were involved in the exploration business in the territories ten and 15 years ago. Because of successive years of Liberal administration and the way the northern oil patch had to be operated, they moved to Alberta. That was the place to make money. Alberta had a sensible government. If you invested your money in Alberta, were lucky and hit oil, you could sell that oil at a reasonable price and make money.

These people who for 15 years have lived on the same street as myself, up to about five years ago, are now leaving Alberta because of policies imposed by the Liberal party. Now they are taking their money and expertise to the United States. Federal policies have chased those people over two borders, the border at the 60th parallel and now the border at the 49th parallel. That is where they are going because that is where the money is.

I want to refer briefly to a matter brought to the attention of this House a couple of days ago by the hon. member for Crowfoot (Mr. Malone). He quoted a speech that had been made in Sherbrooke, Quebec by the Minister of Energy, Mines and Resources (Mr. Lalonde). The minister was speaking there in French to some of his Sherbrooke cronies. He seemed to open up a little more than he does in this House. He was quite frank about the policy of the government. The policy, he said, is to prevent money being made in the hinterlands of Canada. The minister wants to get his hands on the money and funnel it into Quebec, Ontario and other places where there are still a few Liberals around. He was quite frank about stating that policy. There was no argument whatever.

I cannot agree with that policy. In the future, there is going to be a great need for new capital investments in the west, in the maritimes with the Hibernia field, and in the north. The best way to accumulate that capital is to use moneys that have been generated in the oil and gas business in those areas. If that money is siphoned off, brought to central Canada and used to construct airports like Mirabel, or bail out corporations such as Chrysler and Massey-Ferguson, we will not reach our goal of self-sufficiency. There will not be sufficient money to invest in those areas of Canada where investments can pay off and the energy resources can be found.

● (2110)

My final point, Mr. Speaker, is that sometimes I find it difficult to understand why the people on the other side of the House, when it comes to Canadianization, will single out particular industries in particular areas of the country and neglect others. When they talk of Canadianization, the oil and gas industry immediately springs to mind. Why? It is because that industry is removed from their sphere of influence around here. The oil and gas industry, by and large, operates in areas of the country where the government has very little support. Therefore, it does not have to bother about the feelings and the wishes of the people in that industry.

When it comes to other industries where there is a considerable foreign presence, the food or manufacturing industries of this part of Canada, for example—and when I say this part of Canada I mean Canada within a several hundred mile radius of Ottawa—when it comes to those industries, do we hear the same arguments? No, I do not think we do. There is silence on those issues from that side of the House. It seems to me they are singling out industrial areas where they will not really be affected, but it can sure cause a lot of harm to people who live in the regions.

In conclusion, Mr. Speaker, I say we on this side are just as determined to achieve Canadianization as anyone else. But what we want to do is to use a reasonable and rational approach. We do not want to go around banging people on the head with big Liberal sticks.

**Mr. Jack Shields (Athabasca):** The debate before us today is one of the most critical on the National Energy Program or on Bill C-48. For a brief moment I should like to go back 17 years, particularly as today we are talking in the House about the tar sands, about heavy oil, and the massive amount of crude oil and synthetic crude that is available in these areas. Seventeen years ago in northern Alberta, just north of Fort McMurray, we welcomed with open arms the Sun Oil Co. and encouraged that company to invest millions of dollars in the first tar sands plant ever to be built so it could try to tap the abundant resource that exists in the Athabasca tar sands.

I shall never forget the opening of the plant. The people of the town of Fort McMurray were invited to the plant site, where the premier of the day, at that time Mr. E. C. Manning, said, with considerable pride, "This plant is here in Alberta today, and not one nickel of public funds has been invested in it". The Sun Oil Co., headed by its founder, Mr. Pugh, looked at the potential of the company and foresaw the impending oil shortage in the world. He took an entrepreneurial chance and said, "We are going to build the plant because some day, I think, we can develop the technology".

At least three times during the course of the past 17 years Sun Oil nearly closed the plant. They were not asking for any handouts or for any subsidies, but they were not making money. They were losing millions of dollars every year. But they persevered. They developed the technology. Because they became viable, another plant was built. The price of oil escalated. The OPEC countries which had control of virtually