

*Co-operative Energy Act*

The co-operative movement is based on some very specific principles which must be protected. The subversion or compromise of these principles should be of concern to the membership of every co-op taking part in this adventure. During the last months and years co-operatives have been looking at their future direction. This is a new direction for them and therefore it is our duty to watch where it takes them. In a recent meeting the co-operatives started out with a vision which they discussed for several days. There were several key words, such as "without exploiting people", and I think the members must make sure that they do not enter into the investment field on the basis of exploitation. They also suggest that they "must not degrade nature". Where does this corporation stand on offshore drilling, and in particular on nuclear development. By becoming a corporation they must also now recognize the responsibilities of corporate citizenship. Their powers must be rooted in communities and local organization. Does this structure maintain that democracy?

I look forward, Mr. Speaker, to the day when the federal government truly recognizes the importance and potential of the co-operative movement. I look forward to the day when co-operative enterprise will play a central role in an economy which puts the needs of people first rather than the selfish interests of corporate enterprise. I look forward to the day when the people of Canada will have effective control over their political and economic institutions, and will be able to use their co-operative movement to stride forward rather than to guard against greed and rapaciousness.

We hope that these co-operative enterprises work well. We wish them well and feel assured that the democracy of the co-operative movement will do the best for its members and all Canadians.

**Mr. Bill Yurko (Edmonton East):** Mr. Speaker, I will be brief because I do not want to hold up this bill. It is a very good bill and I just wanted to indicate that the independent party in this House fully supports it.

**Some hon. Members:** Hear, hear!

**Mr. Yurko:** Mr. Speaker, I think it is appropriate that all members congratulate the co-operative movement of Canada for taking the initiative to evolve this legislation and bring it before the House. It is certainly appropriate for me to recognize and thank some of those co-operative organizations who came forward with their views, particularly the Alberta Wheat Pool, the Credit Union Federation of Alberta, the Federated Co-ops of Saskatchewan, the Saskatchewan Wheat Pool and others. They are to be congratulated, all of them. I am particularly pleased that the head office is to be located in Calgary, the heart of the oil and gas industry in Canada. The co-operative movement, and particularly the federal government, might learn something from the industry being located in Calgary.

• (1440)

This is indeed a western corporation and a western enterprise. We all expect great things from this partnership of the co-operative movement in Canada and the federal government. The minister stated that the joint venture will probably grow

to a capitalization of \$1 billion in five years, well beyond the limit of \$100 million of injected capital by the federal government. I wish the group well. I hope that it grows to \$2 billion in five years.

This brings me to my main point today. I believe that this voluntary direction of Canadianization of the oil and gas industry is a marvellous direction. The industry needed good direction. This is a voluntary direction. It is not forced but voluntary.

This is a somewhat similar direction to what happened in Alberta some years ago when the Alberta Energy Company was formed. I would hope that this joint venture will approach the Alberta Energy Company at the earliest opportunity for a possible joint venture with it. Since this new venture will primarily be related to development and exploration on provincial lands rather than federal lands, I must ask some questions of the minister. Why is the PIP program discriminatory for ventures like this on provincial lands?

**Mr. Deputy Speaker:** Order, please. The House is discussing second reading in which the principle of the bill is discussed. It is my understanding that it is the intention of the House to go into Committee of the Whole, at which point if the hon. member wants to ask questions, the opportunity will be afforded to him. May I suggest to the hon. member that that would be a more appropriate forum.

**Mr. Yurko:** Mr. Speaker, I beg to differ. I want to raise two very important matters of policy in this House because we are discussing the principle, the policy, of this piece of legislation. If you wish, I will not put it in the form of a question, I will put it in the form of a policy. It will not take me long; I do not intend to hold up the bill.

The policy question is very simple. Why should a joint venture like this be subjected under the PIP program to 35 per cent in grants, while on the other hand if it was doing its work on federal lands it would get 80 per cent in grants with respect to expenditure on exploration? That is a very important policy question with respect to this legislation. I hope that in the legislation the minister might find some way of providing this joint venture with greater PIP grants than 35 per cent listed for joint ventures and companies exploring on provincial lands.

The second very important matter with respect to this joint venture, from a policy point of view, is that the federal government has established a policy of assigning 25 per cent ownership to the Crown or to a Crown corporation of development on all federal lands. I suggest that this joint venture will be involved on federal lands at some point in the future. I would think that the federal government would look seriously at whether or not it will continue its 25 per cent allocation with regard to this joint enterprise that is being formed under this legislation.

I put those two policy positions forward because I think they are important as this joint enterprise grows in future years.

**Mr. Deputy Speaker:** Is the House ready for the question?

**Some hon. Members:** Question.