

*Canada Oil and Gas Act*

Sable Island drilling, if you look at the activity in the far north and the experience of Panarctic, you find that the private sector seems to work very well with PetroCan. I cannot cite the exact number, but I know that a large number of projects is being undertaken by PetroCan together with Nova, a major petroleum corporation in Alberta, possibly involving one of the various pipeline projects in which they are engaged. Opposition members said they would never be able to do that. So I think their vehemence against the national energy program now may be like their vehemence against PetroCan in 1975. As the program is developed and the bills go through the House and through the committee, I believe we will see their attitude change. There may be differences of opinion as to the actual price of a barrel of oil in any one year, but I think the broad outlines of this bill and the program are good because we are moving toward greater Canadianization, not just because it sounds nice but because we know that if the value of the reserves in western Canada now is a hundred billion dollars, by the end of this decade the price of oil will quadruple and the value of those reserves will be \$400 billion. We know that if they continue to be mainly American owned, as they are now, to the extent of 71 per cent and 82 per cent being controlled by foreign companies, which are mainly U.S. companies, then we will have to pay dividends and interest to the United States, whereas if they are owned mainly by Canadians, those dividends will accrue to Canada and thus the balance of payments problem will be lessened.

So I think there is a great potential for this program. Bill C-48 will play a very important part in that development because Canadian lands in the north and off the east coast have a great potential. Therefore, I hope the bill will be passed on second reading and sent to the committee where a detailed study can be made of the complicated technical aspects of the bill. I hope members of the House will send this bill to committee.

● (2150)

**Mr. Thomas Siddon (Richmond-South Delta):** Mr. Speaker, in my remarks this evening and hopefully tomorrow I would like to expand on this concept of Canadian ownership which the party opposite tends to use so loosely, as if Canadian ownership, state ownership or citizen ownership are all one and the same thing. Indeed, they are not one and the same thing. I would also like to say to the hon. member who has just resumed his seat that although we all respect that there is a place for Petro-Canada and a role for it in the future of Canada's energy development it is not a panacea. It has become a security blanket for the Liberal party, a promise as to how they will resolve all Canada's problems in the energy field in the future. I think the next few years will prove that recourse to Petro-Canada as a solution for all these problems will have been a wrong one.

It is most appropriate that we now have the opportunity to debate Bill C-48, because it gives us on this side of the House another opportunity to expand on the inherent dangers of the government's budget of October 28 and the implementation of the Petroleum Administration Act a few weeks ago. I believe

these are actions which will have tremendous negative effects on energy development in this country and our potential to achieve energy self-sufficiency by the end of this decade. It is important, after some ten years of promises from the opposite side of the House, that the Minister of Energy, Mines and Resources (Mr. Lalonde) has finally chosen to introduce legislation which will provide a new regime for the management of petroleum production on the so-called Canada lands, that is, the lands which we expect will bear large amounts of hydrocarbon energy in the frontier and offshore areas of Canada, the territories, the Arctic islands, the Beaufort Sea and off the Atlantic and Pacific coasts. However, the means to be used to this end give cause for serious concern. Indeed, on my part they give cause for alarm.

There must, indeed, be serious guidance from the Government of Canada in order to hasten the development of petroleum resources in these hard to reach and difficult to develop areas of our hinterland. But any policy of a government which does not hasten the development and accelerate the development of these resources will, in the long run, be detrimental to our national interests. This leads to what I consider to be the most important deficiency of Bill C-48. I believe we are now faced with a proposal which in all likelihood will inhibit rather than accelerate Canada's quest for oil self-sufficiency. I think that is the nub of the argument which my colleagues in the Conservative party have been offering. I would like to expand upon that point of view in my comments.

**Mr. Munro (Esquimalt-Saanich):** They are not listening over there.

**Mr. Siddon:** They will have a little while to listen to me yet.

The long delay in providing an appropriate substitute for the Canadian oil and gas lands regulations is reprehensible indeed. But at least we now have a proposal to debate. I hope it will be a lengthy debate. It is my hope that the merits and pitfalls of this legislation will be scrutinized thoroughly in this House, as set out by my colleague, the hon. member for Etobicoke Centre (Mr. Wilson), and others who have followed him. I hope these pitfalls will also be scrutinized thoroughly at the committee stage before this bill is enacted in final form.

Mr. Speaker, I believe the committee should be calling expert witnesses from the petroleum industry and from the provincial governments, people who have decades of experience in managing petroleum resources. This is experience which the bureaucrats and politicians opposite lack—lack in spades. I believe that a number of important amendments would be required to this legislation if we in this party are to support it.

In a nutshell, four essential elements are lacking in this legislation and in the over-all energy program of the government. What we find is a lack of trust, a lack of co-operation, a lack of consultation and a lack of realism. With respect to trust, I believe that a trust has been violated by the way in which this bill proposes to deal with the privately-owned petroleum companies of Canada. It is all well and good for the Minister of Energy, Mines and Resources to say that the government is merely taking back something which it gratui-