

Canada Petroleum Resources Act

diversify, to open up markets in other areas, and would provide them with some financial assistance to market their products from the East Coast.

Thanks to the Government's policy, this Bill is really an exercise in futility. Relatively speaking, there is no activity in the offshore. The rigs are being stacked up in Halifax Harbour or taken to other locations. Exploration in the Beaufort has come to a crashing halt.

When the Government cancelled the Petroleum Incentives Program it said that exploration would not suffer and that energy was an engine of economic growth which would create 100,000 to 300,000 jobs. Now the Minister of Energy, Mines and Resources (Mr. Masse) says the energy sector is not a job-creation sector. That is for sure, because 40,000 people have already lost their jobs and there is a danger of another 70,000 people throughout the country losing their jobs. It does not have to be like that. Low world oil prices have caused major problems for the industry, but this Government's shortsightedness has wreaked havoc in the energy sector.

The General Manager of Shell Canada, Lorne Kingwall, told businessmen in Halifax earlier this month just what was needed to get the offshore going again. He said:

What we need is not just a better price for one day, but a long-term view that gives us confidence we could support a relatively expensive project, which the offshore is.

What did the Government decide to do in response to this? Absolutely nothing. All those rigs are now saying farewell to Nova Scotia and to Newfoundland as they pull out of the Beaufort Sea. The Government says that that is too bad, that the private sector knows what is best and should dictate activities in the offshore and in other frontier areas, and that we should let our energy reserves sit and wait for a better price. Who cares about the energy future? This Government certainly does not.

The country is moving toward an increased reliance upon imported crude oil. Because many smaller Canadian companies are not getting the help they need from the Government during these tough economic times, foreign takeovers, mergers, and bankruptcies are shaping our energy sector and will be shaping it even more so in the future. Once again we will have an energy industry which is mostly owned and controlled by foreigners. This is happening despite the lofty words of the former Minister of Energy last spring when she said:

If we do not conserve our oil and gas resources . . . and if we do not find and develop new supplies . . . we'll end up back where we were in the 1970s. OPEC will dictate price and supply to us.

That is exactly right. However, what is the Government doing about it? It is leaving us open to the fluctuations and manipulations of OPEC once again. It is failing to provide enough incentive to keep exploration activities going in the frontier and the offshore. It is completely abandoning the goal of Canadianization and leaving our smaller Canadian companies in a very vulnerable position—one where Canadians will no longer own or control our resources. Lawrence Murphy, a partner in the planning resource group of Toronto predicts,

since the integrated multinational corporations have stronger balance sheets and are in a better position to wait out the slump in oil prices:

● (1730)

—that the outcome of this situation will be increased concentration of the petroleum industry . . . in this country—and most likely, a rise in the proportion of the industry that is owned and controlled by non-residents.

It seems to me, Mr. Speaker, that we are right back where we were at the beginning. We have turned the clocks back and we are putting ourselves into the same position we were in years and years ago before we realized the importance of our energy sector, not only to the country but to Canadians individually. We are moving back despite what the former Minister of Energy said last spring.

The Government was elected to bring Canada forward not to set us back as it has been doing. It is time the Government looked beyond the end of its nose, or at least beyond the next election and did something to help the energy sector. The problem cannot be ignored any longer. Canadians of today and tomorrow deserve better treatment. The Government will realize this by the time the next election comes around—of course by that time it will be too late for the Government—but let us hope that it is not too late for the energy sector.

The Parliamentary Secretary was very nonplussed and hyperactive this afternoon complaining that the deletion of Clause 53 would put us in a position of dictating to the energy sector, of taking away, of pulling the rug out from under it economically in a participation sense. Canadianization is right now approximately 50 per cent in the offshore and the Beaufort. There is not a great deal of difference. We are concerned in this Party that we do not lose what we already have principally in the offshore and the frontier. We are concerned that this participation that we have not be rolled back in the interests of soothing the large multinational oil companies. There is nothing wrong with multinational oil companies participating in the activity in the frontier, nothing at all. Basically they have been good corporate citizens. They are in the business of making the maximum profit they can. That is not the interests necessarily of furthering exploration and development in the frontier at this time, not without a sign from the Government that something needs to be done not only to create activity economically but to do something to protect and develop our security of supply in Canada.

There is an opportunity now to do something not only to maintain the economic structures on the East Coast of Canada and in the north but to develop an energy program which the Government does not at this time have. It is a case of drift. Every speech the Conservatives make refer back to the Atlantic Accord, the Western Accord and now there is the Canada-Nova Scotia agreement which gave a \$200 million slush fund to Nova Scotia. The Province of Nova Scotia is using it any which way it darn well wants. Mind you, Mr. Speaker, it gave \$25 million to Nova Scotia resources. It is just a bad joke on the people of Nova Scotia. It is certainly not an