

Petroleum Administration Act

Mr. Thomson: Why do you not listen to what my leader has had to say?

Mr. Waddell: Why does he not come and take part in this debate?

Mr. Thomson: I want to spend a few moments dealing with one aspect of Canada's energy policy which should be our central focus and our main concern, namely, security of supply.

The cornerstone of the national energy program is a reduction of 20 per cent in crude oil demand over the next ten years. This is to be achieved by conservation and substitution. There is no way this reduction can be achieved unless we are prepared to reduce economic activity or unless we all start to ride bicycles. There is not a single credible source in this country who would agree with the projections in the national energy program that we will reduce our crude oil consumption over the next ten years by 425,000 barrels a day. There is not one credible source. Not the National Energy Board, not the National Research Council of Canada and certainly no knowledgeable person in the oil industry.

Forty three per cent of our energy consumption is from crude oil. The government plan calls for us to reduce this consumption to 26 per cent by 1990. Most authorities believe that crude oil consumption will increase from 1,823,000 barrels per day, which it is at the present time, to something over two million barrels per day by 1990.

Now we come to conservation. Can anyone tell me why gasoline consumption in Canada has increased 6 per cent in each of the last two years? We are the only country in the industrialized world which is subsidizing a scarce commodity, such as crude oil.

Mr. Regan: What about Venezuela and Mexico?

Mr. Thomson: I can see that the hon. gentleman has been to neither of those two places. I would hardly call either of them industrialized.

The Energy Resources Conservation Board in its latest estimate of Alberta's future crude oil productive capacity said that production will have dipped to 139,000 barrels a day by 1999. In fact, Alberta's oil production capability, which was almost two million barrels daily at the beginning of the 1970s, will slip to the one-million-barrel-a-day mark in 1982. The Energy Resources Conservation Board report states that current capacity is 1,183,000 barrels per day. The report forecasts productive capability will decline to 1,074,000 barrels per day next year and to 966,000 barrels per day in 1982. The forecast says conventional crude productive capacity will have declined to 688,000 barrels daily in 1985, about one-third of what Canada needs to meet its demands. By 1990, western oil fields will be capable of producing only 377,000 barrels per day. Some time around 1995, we will not be able to supply enough crude oil to one refinery in Edmonton which presently processes 145,000 barrels of oil a day.

• (1510)

If we are to have energy security in Canada, we will need a new oil sands plant every two years for the next ten years for there to be any hope whatsoever of becoming self-sufficient in oil. Therefore, ten plants will be required. We should have had three more plants on-stream today. As it stands, the two plants presently planned cannot be on-stream for at least six or seven years.

With regard to offshore production from the Beaufort Sea and off the east coast, we will be fortunate if we see production from those fields before the end of the decade. There is no technology in place to make an underwater completion in over 250 feet of water, water which is known to be plagued with icebergs. More than one half our imports of 425,000 barrels per day presently come from Saudi Arabia and the government is talking about increasing this by another 100,000 barrels a day at a cost of somewhere around \$40 a barrel.

It is madness to place the Canadian economy, Canadian jobs and our future in the hands of OPEC. There was a quotation by the Minister of Finance (Mr. MacEachen) on the night he presented the budget which really caught my attention. He said the worst of the dramatic surge in international inflation directly associated with the OPEC price increases is behind us. Does anybody believe we have seen the last of OPEC price increases? It is inconceivable that any knowledgeable person would make such a statement and it is inconceivable that a government would be willing to place the future of our country in the hands of OPEC. Yet that is what this national energy program is doing. Make no mistake about it.

In conclusion, I wonder who the government will blame for future energy shortages. Who will they blame for increased unemployment, a faltering economy and continuing high inflation? Maybe they will be able to blame OPEC instead of Premier Lougheed and the multinationals. The wounds which have been inflicted on our country in this debate on energy and in the debate on the constitution will never be healed in my lifetime.

Mr. David Weatherhead (Scarborough West): Mr. Speaker, I am happy to have this opportunity to speak on the motion of the hon. member for Vancouver-Kingsway (Mr. Waddell), for it allows me the opportunity to discuss an important point in today's political climate.

It goes without saying that Canada is a vast country. Many regions span more than three and one half million square miles. Each of these regions has distinct features which contribute to the make-up of Canada; differences in terrain, geography and natural resources have helped to shape the individuals who have lived in those regions. It has become common to exaggerate those differences and to ignore the common heritage we share as Canadians. We share some important characteristics that must be emphasized during this debate if we are not to lose sight of our purpose. Each and every Canadian must face long distances and the daunting climate which is our lot. We share institutions and a common history which have done more to make us Canadians than fish,