

Oil and Petroleum

midwest? If not, we should tell the industry, but if some Pan Arctic gas will be made available to the United States we should say that too. It might help solve the quest for money.

There is the tremendously complex engineering problem of building a pipeline across the Arctic ocean to the North American continent to be considered. The deepest pipeline known in the world today is something like 400 feet down, but in the Arctic it would be necessary to go down 800 feet. The best expertise possible is needed. We will not get that unless we can say that a certain percentage of gas from the Arctic will be available for export. Surely if we can look ahead one year and say that Ontario will be short of gas next year, we should be able to say what Canada will be short of in the years to come.

The Acting Speaker (Mr. Penner): I regret having to interrupt the hon. member but the time allotted to him under the Standing Order has expired.

Mr. Horner: Mr. Speaker, I wonder if I could just finish my remarks.

The Acting Speaker (Mr. Penner): The hon. member requests consent to continue his remarks. Is there unanimous consent?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Penner): The hon. member for Crowfoot.

Mr. Horner: Mr. Speaker, I want to assure the House that I appreciate the privilege given me. I would not want to threaten hon. members with the thought that I had just warmed up to my subject, however. It is one I have become very interested in, and I have nailed down a number of very important questions facing the Canadian people today, questions which their government must answer.

In the last few minutes I have been trying to solve the problem of where the money for further development in our country will come from if we are to be self-sufficient in the 1980s, and to find the "X" in the equation. What did the government do in the case of PanArctic recently? Bow Valley Industries wanted to sell 2.2 per cent of PanArctic to SOQUIP, the Quebec government oil company. Remember we are trying to find the "X" and solve the equation of the cost of money in our energy development exercise. The federal government said no. Why? Because it felt a provincial government might interfere in the decision of the exploration route for pipelines, etc. in regard to PanArctic development.

PanArctic has not sold a thing, and will not sell a thing until the middle 1980s, yet the government jealously guards the power it has, and wants no interference from any province. How sensible was that decision? It created difficulties in the quest for money because it excluded a major supplier of money. I recognize, as a Conservative member of parliament, that provincial governments are major suppliers of money, being major collectors.

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When a province of this country wanted to acquire a 2.2 per cent interest in PanArctic, the federal government refused to acquiesce. It did not want to give up any part of its power. Surely the Minister of Energy, Mines and Resources is not so hungry for power? It might be logical to say, in the banking business, that no shareholder shall control more than 10 per cent of outstanding shares. But surely it would do no harm to allow a province even a 10 per cent share in PanArctic. Ten per cent is a nice round figure.

An hon. Member: How about 5 per cent?

Mr. Horner: I prefer 10 per cent. It is an easy figure to deal with, Mr. Speaker. The government refused the request of the province. In my opinion that was a mistake. Why, Mr. Speaker? Any decision made by PanArctic must be supported by at least 60 per cent of the voting shares. The federal government owns 45 per cent of PanArctic, which means that it has the power of veto. If Quebec, owning 2.2 per cent of PanArctic, were to insist on the construction of a pipeline or on exploration in a certain area, then the federal government, which owns 45 per cent of the company, can veto that suggestion, because 60 per cent of outstanding shares would not vote in favour.

Also because of a lack of an in depth study the federal government foolishly stopped the sale of Bow Valley Industries to the Quebec oil company. In so doing it failed to give encouragement to the oil industry, which must remain viable if Canada is to remain self-sufficient in the years ahead.

Owing to the demand for energy, three major pipelines, the Alaskan Pipe Line, the Mackenzie Valley Pipe Line and, probably, a pipeline from the Arctic to the large consuming areas of North America, are to be built. Building them will place a tremendous strain on the international supply of money, especially on oil money. Some say, "Why not use Canadian money?" Social Crediters argue that you only need to print the money. If you did that, it would not have any value and would simply accelerate inflation.

Let me discuss the Sarnia-Montreal pipeline, which may or may not make energy available to areas east of the Ottawa valley. Personally I have never advocated the building of that pipeline, and I said so when we discussed it last winter in committee. I doubted that it would be built. I remember the Minister of Energy, Mines and Resources saying that it would be built and would supply Quebec and the Montreal markets with oil "next year." Well, "next year" is here, and the pipeline has not been built. It has not even been started. Why not? I will tell you why not, Mr. Speaker. Nobody is prepared to guarantee that it will carry oil, that it will be used.

We have heard much in this debate about the two-way pipeline to be built between Sarnia and Montreal. One day it will move oil from the west to Quebec, and the next, so say some, it will move oil from Quebec to Ontario. Mr. Speaker, you cannot reverse oil flow by flicking a switch, as you do on an electric motor. Building a two-way pipeline is a major undertaking, and a very costly one. It will not be built unless the pipeline company is guaranteed a