

will not help the situation, with the exception that the part of the industry which so far has refused to answer questionnaires and supply the data will be compelled to comply.

● (1542)

The legislation the House is being asked to pass does not require the government to tell the oil industry what part of its swollen revenues should be devoted to exploration and development for our energy needs.

It is now five years since the government started a program of moving the price of Canadian oil and gas steadily toward the world level. During this period we were told regularly that the increased revenues to the companies, apart from their normal increased costs for transportation, refining and processing, would go into exploration and development. It has not happened. There is nothing in this legislation to make it happen.

I hope the minister will show us one clause in this bill which requires the oil and gas industry to spend a specific percentage of its aggregate income upon exploration in Canada. The minister does not even request that power. He is asking for what should have been requested in the first place four or five years ago, namely, that companies must fill in questionnaires providing the government with information as to how much of their aggregate incomes have gone into exploration and development. It was taken for granted that it would be done in the first place. When companies do not comply with the proposition that their increased revenues should result in increased expenditures for finding energy sources, whether renewable or non-renewable, then that requirement should be in the act. It is not there.

This legislation is typical Liberal legislation. It is designed to give the impression that the government is doing something when, as a matter of fact, the government is doing nothing. This is too serious a time for being polite about this question. The energy situation in the world is serious. The energy situation in Canada is serious.

Only a few years ago our nation was an exporter of oil, and is now a net importer of oil. In a matter of only a few years, Canada will be required to import half its oil requirements from outside the country and will pay five times as much per barrel as we received for the oil we shipped to the United States in the days when 60 per cent of Canadian oil went across the line. This is a serious situation.

This country must and can find new sources. There are supplies of conventional oil and gas, as well as great potential supplies of oil in the oil sands and in heavy oil, as technology for extracting the oil is developed. This will require great quantities of capital. The only reason given by the government for allowing oil companies to take billions of dollars out of the pockets of Canadian consumers was on the ground that the capital would be found. The fact is that it has not been spent on a proportionate basis, yet the companies have increased their expenditures for oil research outside Canada.

I see no reason why Canadian consumers should pay more for oil, gasoline and home heating fuel; why farmers should

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pay more for gasoline for their tractors or the fisherman for fuel for his fishing boat; or why utilities should pay more for their oil in order to generate electricity, when the government enables multinational organizations to take those profits and spend them in foreign ventures in the Middle East, the North Sea, Guatemala, and other parts of the world.

This piece of legislation is merely a sop. It is merely intended to inform the public that the government is on the job watching the oil companies, and to give the impression that some power will be given to the minister in order to carry out the government's commitment to see that increased prices result in increased exploration. There will be no results, because this legislation does not provide the government with the power to compel oil companies to set objectives and goals as to what percentage of their increased revenue will go into exploration and development.

I am glad the President of the United States apparently has become seized of the seriousness of this question. Last October during a press conference he indicated that the energy situation conjures up problems which are just as serious as war. Also he indicated that in many ways it is a moral equivalent of war. In his statement he said:

As is the case in time of war, there is potential war profiteering in the impending energy crisis. This could develop within the passing months as the biggest rip-off in history.

The grabbing for the financial rewards is what I deplore in the oil industry.

Whether the President of the United States is able to resolve the energy crisis there or not, we do not know. All of us wish him well. At least he has identified the problem, has put his finger on the culprit, and pointed out those who are to blame for the situation which faces the United States and will face that country in increasing measure.

I am disappointed the Canadian government failed to identify the problem and point out the culprit. Instead, it has brought in legislation which ignores the problem and will only serve the purpose of covering up the real problem so that people will think the government is in control of the oil industry when, as a matter of fact, it is the oil industry which increasingly controls the government.

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

● (1552)

[*Translation*]

**Mr. Gérard Laprise (Abitibi):** Mr. Speaker, Bill C-12 now before us to establish a control over oil companies to know how in the future those companies will be able or have to spend the money received from consumers through the sale of oil products is a bill which is undoubtedly important in the eyes of the government but which I think will have to be considered very carefully in the committee of the House of Commons with a view to bringing in certain amendments. I am under the impression after perusing this bill that perhaps it will not give the anticipated results.

Mr. Speaker, we are faced with increasingly important problems in the area of energy. Not so long ago the problem of