

Canada Oil and Gas Act

to the federal government of 25 per cent with respect to federal lands. I am sure their animosity will grow when opposition members see that that provision might be exercised by Petro-Canada on behalf of the people of this country. Those of us who were here in 1975 remember how hard the Tories opposed the establishment of the national petroleum corporation. They forecast doom and gloom for the industry if we were to establish such a corporation. Dozens and dozens of meetings were held in the Standing Committee on National Resources and Public Works. Hon. members opposite said that a national petroleum corporation was not needed, that it was too costly, that it would be harmful to the existing industry and that it would only deflect public attention away from our supply needs. There were better ways, in their opinion, to reach the goals set out in the Petro-Canada bill.

I invite hon. members to look at the comments made at the second reading stage of the Petro-Canada bill in the spring of 1975. Let us just consider this "demon" which the Tories seemed to see coming over the horizon in the spring of 1975 and compare it with what has actually happened in the first five short years of the life of this corporation. As is provided in this bill, some 25 per cent of the interest in new wells operated on Canada lands in the north and the east coast offshore will probably be held by Petro-Canada.

PetroCan is the largest Canadian petroleum corporation, and it is the only Canadian corporation in the big ten. All the rest are foreign owned. If the Tories had had their way at the time of the Petro-Canada bill, there would not be a single Canadian company among the big ten petroleum companies in Canada.

Petro-Canada is a fully integrated oil company which produces, refines and markets. Its assets approach some \$4 billion today. It is the only Canadian company which has a stake—a 25 per cent interest, by the way—in the Hibernia oil discovery off Newfoundland. The hon. member for St. John's West was talking about that oil discovery. Petro-Canada is owned by the Canadian people, and its assets and benefits belong to the Canadian people. Surely that is worth while and desirable.

● (2140)

Besides, it is good that PetroCan will have access to information about wells so that it can judge accordingly and make the best stake in the east coast offshore which, after all, has a great potential for future energy discoveries. It is good to have a petroleum corporation which has a large piece of the action there. Likewise, the Sable Island discovery of natural gas which we hope to see proven in the coming year, has great potential. PetroCan has taken a very active part in that venture. I think it is safe to say that the interest it has shown and the capital investment which PetroCan has put into that project have moved up the discovery by a few years at least. If that discovery is proven, the impact on Nova Scotia and on all the maritime provinces will be tremendous in the years ahead. From being an energy deficient area in terms of natural gas, it will become a source of natural gas. Likewise, in the Arctic islands, PetroCan and Panarctic have one of the largest invest-

ments of any Canadian-owned corporations. The initiative which Petro-Canada is taking in the Arctic islands project costing some \$2 billion to ship liquefied natural gas from the eastern Arctic by tanker is a tremendous research and development project. Not only will it provide us with an efficient transportation system from the Arctic islands, moving up incrementally as markets are developed, but they tell me that the spinoff technology for transportation of other valuable minerals in the Arctic will equally be of value. This benefit will accrue to all Canadians through PetroCan, a corporation which the official opposition dramatically and vehemently opposed. I think they opposed it with even more vehemence than the hon. member for St. John's West (Mr. Crosbie) showed when he opposed the national energy program tonight.

During the 1975 debate, speaker after speaker was vehement in his opposition to PetroCan. I am just suggesting some of the things which PetroCan has been able to do in a matter of only five years. It has a major stake as a partner in the Syncrude project. It is also doing research in heavy oils and the tar sands. As I said earlier, it will take an active part in upgrading the facility for residual oil in Montreal, gathering it together and processing it at a great saving compared to the cost of a tar sands plant. It will be participating in a heavy oil upgrading plant in Saskatchewan, probably taking a 50 per cent interest in that project which is estimated to cost at least \$1 billion, giving us much more access to heavy oils in the Lloydminster area and other parts of the province. This represents a tremendous resource for the country, but we have to unlock the technology to make it happen. PetroCan is there working on behalf of all Canadians.

I think the most important thing about PetroCan is that it is an integrated oil company operating in all spheres of exploration, production and marketing. The revenues and the profits which are generated in the western basin from conventional oil are being spent on exploration and development in the risky areas of the far north and the east coast offshore. That is in marked contrast to the contortions the official opposition went through when they were the government. They were going to sell Petro-Canada although they knew Canadians did not want that. So they backed off. Then they proposed to sell just the parts which made money and keep the parts which did not make money. I knew, and so did the president of the Treasury Board in the previous cabinet, that that proposal would never see the light of day. Finally, they decided to keep some of it, to sell some of it and to give some of it away. And ultimately they did not have to make any decision because the government was defeated.

I think Canadians across the entire country support to concept of Petro-Canada. They want to see projects such as the Arctic islands project go forward. In contrast to what the official opposition said in 1975, Petro-Canada has operated very well with the private sector. As a matter of fact, practically every one of their projects that I can think of operates on a joint ventures basis. What I find interesting, Mr. Speaker, is that one gets the impression that the private sector likes to have PetroCan taking part in its projects. If you look at the