

undiscovered and some of the reserves now known may remain in the ground, since they are beyond economic reach at present low net-back prices to the producer.

This development has not taken place, Mr. Speaker. Canada could do a great deal more to help in the exploration and development of this natural resource which is so vital to us now.

Today I asked the minister the cost of the government's publicity program to encourage the conservation of this natural resource in the last month, and he replied that it ran something over \$700,000. I am still not sure what the government intended. I certainly would like to know why we spend \$700,000 to tell people to conserve this natural resource when the price continues to rise. They do not need to be told. Would it not be better to spend the \$700,000 on research facilities and try to make better use of the gas and oil that we have? I do not know the purpose behind this publicity campaign which ran in 44 Ontario papers and 14 papers in Quebec. I understand that approximately six million people live in Quebec and seven and a half million in Ontario—perhaps it is harder to get through to people in Ontario. The minister should explain what he expects to accomplish by this campaign. People are already conserving energy and the government is not using this money to the best advantage.

One of the departments of government has a "Why Not" campaign running at the present time, Mr. Speaker. Perhaps the Department of Energy, Mines and Resources should run a "Why?" campaign. Why do we need Petro-Can? Why not get into those areas that call for research and development? The manager of Syncrude has stated that the basic problem is that we do not have the technical ability to develop Syncrude. Surely the government could get involved here and assist in the training of people in the required skills.

What does the minister know about going out and getting leases in order to be able to drill for gas or oil? Will he have a large group of individuals moving about the country trying to get leases that have already been taken up by oil companies? Is he going to try to get seismic crews to go out and search for oil? Is he going to get oil rigs to drill in the areas to which the seismic crews point? Is he going to hire crews to develop sites for drilling, and is he going to have crews go in afterwards to level them off when they are dry holes? The minister should realize what he is getting into in establishing Petro-Can. I think he is making a great mistake in contemplating this because there are so many other areas where the government could serve a useful purpose, such as researching methods of extracting the conventional and non-conventional oil that we have.

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Certainly, we are encountering problems in the extraction of oil from the tar sands. Syncrude faces difficulties. We possess tremendous amounts of oil in the tar sands and must devise an adequate technology for extracting it. The same is true of conventional oil. I am told that in some instances only 30 per cent of available oil has been redeemed. So, Mr. Speaker, the government can play a useful role in many ways. It can devise new methods of developing Canada's oil resources. I suggest it is a national disgrace when the Minister of Energy, Mines and

Petro-Canada

Resources leads us on a crash course which will have disastrous consequences for all Canadians.

Mr. Ron Huntington (Capilano): Mr. Speaker, I have great difficulty in understanding Bill C-8. In no way can I support it. I rise tonight to express my deep concern about it.

When incentives cannot induce private industry to do the sort of job we want done in this field then I agree the state must move in and create a Crown corporation which will do the job. But this is not the case in Canada, particularly not in the industry we are discussing. The minister himself admitted that the industry has shown great ingenuity and ability in exploration and development. The government itself, by passing a series of taxation measures, has removed the decision-making base from private industry and interfered with incentives which make for a healthy industry and which were responsible for our resource development and energy reserves.

Considering the way the government has behaved since 1968, what can you expect but chaos, especially as free enterprise is hampered in its decision-making processes? This, of course, is the true cause of Canada's energy crisis. Federal confrontation with resource provinces, the imposition of socialist dogmas on our taxation laws and base, the changing of rules in mid-stream, and the removal of incentives from the private sector have made it all but impossible for private industry to meet the exploration and resource development needs of this great country. In addition, the government's refusal to act responsibly in the face of inflation in Canada has had this effect: it has confiscated private savings and capital to the point where there is no investor confidence. This applies to domestic as well as to foreign capital markets.

The government has made it all but impossible for our people to generate capital with which Canadians can develop and own a fair share of their own resource industry. Mr. Speaker, the government in Canada receives some 55 per cent of all after expense revenue, before a Canadian corporation can generate one dollar of new capital. I doubt if there is any other country in which capital is as expensive to develop as in Canada.

When a Canadian industry wants to sell its goods in Canada we protect it with tariffs. At the same time the government makes the creation of a dollar of new capital in Canada a very expensive process. So expensive is new capital that industries which need risk capital for resource exploration and development find it difficult to get Canadian capital. The government has discouraged taxpayers from risking these precious, expensive, new dollars of capital generated in Canada.

I ask the minister to compare the cost of drilling a hole in Canada when the capital used in the process is owned in the United States with the cost of drilling a similar hole, undertaken at a similar risk, when the capital used in the process is owned in Canada. No wonder 90 per cent of energy resources in Canada are owned by foreigners. Where is the sense in present government policies, considering that between now and the end of the century we must develop our potential for energy self-sufficiency?

Mr. Woolliams: That is absolutely correct.