itself up as having some kind of national oil policy. The national oil policy it is inflicting on this country at the moment will cause increasing economic hardship and, what is even more unfortunate for this country, a great deal of disunity and division.

Some hon. Members: Hear, hear!

Mr. Barnett J. Danson (York North): Thank you, Mr. Speaker, and thank you colleagues. Much of what has been discussed in this debate so far reflects our prime concern in respect of the control of our resources, keeping our homes and institutions heated and maintaining an adequate supply of gasoline for our cars. These are important and overriding considerations which I understand, and I share hon. members' concern, but we dare not overlook or treat lightly the other problems and opportunities presented to us in the manufacturing and processing sectors of our economy.

● (1510)

I bring forward this aspect of the subject at this time because of my background in this field, and more particularly because the petrochemical industry has perhaps the most significant growth factor and one that is future oriented. This involves hydrocarbons and fossil fuel derivatives extracted from oil, and gas and coal, which have resulted in new industries and revolutionized others. The potential of this industry for future growth is almost limitless, and we are now entering a unique position in which we can be world leaders because of our relative abundance of basic fossil fuels. These are not without limit, but if carefully and intelligently allocated will provide a multiplier effect because of byproduct or downstream processing and manufacturing which is perhaps unmatched by any other resource we possess. The gross product of this industry is currently $580 million, employing some 7,600 people, mostly skilled and highly paid people. Indirectly, employment and dollar volume is many times that. The multiplier effect of the basic derivatives is very high. The figures I have show a multiplier effect of 139.9. That is the multiplier of the dollar product from the basic material which in this case would represent a market value of $8.1 billion.

On ethylene alone there is a market value of $4.5 billion. That is at the market place level. This does not include some $220 million of imports to this country which are still somewhere in the range of 40 per cent for the petrochemical industry. Therefore, those multipliers are extremely great in this particular resource field and this resource which we have. The projection is that by the year 2000 the dollar volume of the petrochemical industry will reach $20 billion, which could be theoretically $200 billion or greater in the market place. The ingredients for pharmaceuticals represent a relatively small volume but are substantial in dollar terms and critical to world supply and health services.

The development of synthetics or plastics has opened up entire new fields for us. The day of the cheap plastic toys is behind us. Engineered plastics are high quality, efficient and usually of lower cost than conventional materials. Even when more costly, they offer design, fabricating, engineering and marketing advantages that far outweigh the per pound cost. In the automotive industry alone, plastics have replaced some 600 pounds of metal with something over 100 pounds of plastics per vehicle, reducing the weight of cars and usually performing their function more safely, more efficiently, and markedly reducing assembly costs and the costs of replacements and repairs.

The same applies in packaging, lighting, furniture, housing and commercial construction, agriculture, electronics, and a myriad of other activities which affect our lives and our economy. Synthetic fibres have had a major impact on our clothing and textile industries. Carpeting, drapery, furniture and floor coverings are just a few examples of their use. We take them for granted around us, but we do not realize what they are. We are not inclined to think of our oil, gas and coal reserves when we see a fibreglass boat or a snowmobile, or when we buy a suit or a shirt, or when a doctor injects a life-saving antibiotic into our arm, but that is where it all begins in the hydrocarbon reserves which we have in such abundance.

The growth of our petrochemical industry has outstripped all expectations. Even before the current energy crisis, facilities were not keeping up with demand and some 40 per cent of our needs were still imported, leaving us in a vulnerable position, vulnerable at that time but far more vulnerable now with the shortages that are worldwide, meaning that the countries from which we have been able to import some of these needs will be more restrictive in their exports. The current shortage is worldwide, not because of the energy crisis but because of the fantastic acceleration of demand as a result of new discoveries as well as new and better uses of established technology and products. It is now seriously aggravated by acute shortages which will exist for at least three years, for it takes at least three years to design and build a complex plant and laboratories to produce the products.

In Canada today, we have the feedstock, or feedstock potential, to produce ethane, ethylene, polyethylene, benzene, styrene, polystyrene, polypropylene, and others with longer names which my seat mate mentions, not to mention polytetraflurethylene as well as the many other petrochemical by-products desperately needed by ourselves and our trading partners. The more we process ourselves, the greater and faster will be the return to our economy and the skilled jobs created. I strongly urge that we take advantage of our potential and develop a world scale, integrated petrochemical industry that is second to none, first, to give our secondary industry an assured source of domestic supply at competitive prices, then spawning thousands of large and small business opportunities that will challenge the ingenuity and the initiative of the existing business and industrial community and the young men and women entering the labour market in increasing numbers.

At the same time we will be creating an immense export potential for our resources at a more refined or sophisticated stage of process for which there is an almost insatiable demand. We have the resource and we have the technology, or if we do not have it precisely we have access to that technology. We will not be alone in this race for jobs and markets. It is thus essential that we move quickly and imaginatively. The Minister of Energy, Mines