

The Petroleum Monitoring Agency was established in August, 1980, for the purpose of collecting this information. In the National Energy Program, its role is defined as follows, and I quote:

—to monitor and report on the activities and financial performance of the petroleum industry in Canada . . . It can . . . carry out its duties and provide advice to the Minister of Energy, Mines and Resources. It will also provide independent comment on information that is essential to the Government's energy strategy and to the public's understanding of energy issues . . . The Agency will receive information secured under the Petroleum Corporations Monitoring Act concerning costs of production, profitability, research and development efforts, and reinvestment behaviour. It will also monitor and report on ownership and control in the industry. The Agency will issue reports on a regular basis that will permit the Government and the Canadian public to be assured that the revenues resulting from higher oil and gas prices are being used in ways that enhance Canada's energy security".

Before bringing in the National Energy Program, the government had already realized that it needed timely and accurate information on the industry, an information requirement emphasized in a document called "Energy Strategy for Canada", published in 1976. How else could Canadians judge whether government policies on management of Canadian oil and gas resources had positive results? Clearly, a monitoring agency is of vital importance. The agency in question has the authority to monitor about 120 major oil and gas companies.

Indeed, our country and Parliament need to be informed and must have all the data on activities being carried out in this major sector of our economy, the oil and gas industry. The energy monitoring bill now before the House is aimed at expanding and further developing the role of the Petroleum Monitoring Agency. The agency advises and reports to the minister, but may also publish its own reports.

Only enterprises with gross oil and gas revenues or assets in excess of \$10 million must file a report. Previously, companies with assets of \$5 million came under the jurisdiction of the agency. This amount has been increased to avoid burdening smaller companies with the administrative work involved in filing returns.

Companies will have to provide information on their revenues and exploration expenditures according to the type of petroleum or gas being produced. Data will have to be provided not only on ownership and control but also on subsidies obtained from the government, oil-derived funds leaving the country, research and development projects in the industry and production levels. The companies will also have to provide accurate tax data which will be used to evaluate the impact of future tax changes on the industry's operations and their cost.

● (1510)

[English]

The agency will also monitor the oil and gas activities of individuals, trusts and partnerships that meet the financial thresholds of \$10 million per year in revenues or \$10 million in assets. As well, public sector participation in the industry will come under scrutiny. The structure of the industry is changing and for a complete picture to unfold through the Petroleum

Monitoring Agency, these additional players in the industry had to be added.

The government is anxious to minimize the reporting burden faced by the industry. It is sensitive to the costs that can be involved in supplying all of the information governments seek to collect. It is for that reason that information supplied to the monitoring agency will be made available to the Department of Finance and to Statistics Canada. The Department of Finance will get information solely to formulate or evaluate energy taxation policy. By judiciously sharing this information, we can make it possible for companies to report only once and still meet the data collection requirements of a number of government departments and agencies.

The industry, of course, is anxious that some of this information be treated confidentially—and it will be. To ensure the confidentiality of this information, restrictions against disclosure will also apply to the two other departments along with the Department of Energy, Mines and Resources that can receive the information.

Should the need ever arise, we want the government to be in a position to monitor other sources of energy, namely coal, uranium and thorium. It is impossible to know today what quantities of these three commodities will be needed to supply energy in the future. We cannot predict with certainty the structure of energy supplies in the decades ahead. But we can plan for the future, and so we have included these three potential candidates for monitoring down the road, depending on the use we make of them and the nature of ownership and control patterns within each. We would be shortsighted indeed if we did all of the work we are doing to increase Canadian ownership and control in the petroleum industry but ignored those factors in other resource areas which some day could be far more important.

This legislation includes two lesser groups of amendments. The first concerns the Energy Supplies Emergency Act. A number of housekeeping changes are being made, covering everything from definitions to the board's authority to delegate its workload. Second, we are amending the Oil Substitution and Conservation Act, largely to enable us to meet our obligations under last November's agreement with Alberta to expand natural gas markets. The agreement includes incentives to undertake sales and promotional activities and we have to broaden the authority of the legislation to do that.

I will not take the time of the House now, Mr. Speaker, to describe the legislation before us in any more detail. We still have a great deal of work to do before it can be finally approved and members will want detailed information at the appropriate stage of legislative consideration. But I do not want to take my seat without emphasizing the importance of the principles involved here. The National Energy Program will create the conditions that will enable Canada to achieve energy self-sufficiency and security. Canadians have shown their strong support for this goal. In Parliament, we took an important first step with the Canada Oil and Gas Act, which established the ground rules for petroleum development in our